United Nations A/58/95

General Assembly

Distr.: General
26 June 2003

Original: English

Fifty-eighth session
Item 53 of the preliminary list*
Oceans and the law of the sea

Report on the work of the United Nations Open-ended Informal Consultative Process on Oceans and the Law of the Sea

Letter dated 9 June 2003 from the Co-Chairpersons of the Consultative Process addressed to the President of the General Assembly

As Co-Chairpersons of the fourth meeting of the Open-ended Informal Consultative Process on Oceans and the Law of the Sea, we have the honour to submit to you the attached report on the work of the Consultative Process at its fourth meeting, which was held at United Nations Headquarters from 2 to 6 June 2003.

In accordance with paragraph 3 (h) of General Assembly resolution 54/33 of 24 November 1999 and bearing in mind resolutions 57/141, 57/142 and 57/143 of the General Assembly relating to oceans and the law of the sea, the fourth meeting has proposed a number of elements to be suggested to the General Assembly for consideration under its agenda item entitled "Oceans and the law of the sea", as well as a list of issues that could benefit from attention in future work of the General Assembly on oceans and the law of the sea. The said list of issues is, of course, not intended as an exhaustive list.

(*Signed*) Felipe H. **Paolillo** and Philip D. **Burgess**
Co-Chairpersons

* A/58/50/Rev.1 and Corr.1.

03-40970 (E) 230703

Report on the work of the United Nations Open-ended Informal Consultative Process on Oceans and the Law of the Sea

Contents

		Page
Part A.	Issues to be suggested to the General Assembly for consideration under its agenda item entitled "Oceans and the law of the sea"	3
Part B.	Co-Chairpersons' summary of discussions	9
Part C.	Issues that could benefit from attention in future work of the General Assembly on oceans and the law of the sea	34

Part A
Issues to be suggested to the General Assembly for consideration under its agenda item entitled "Oceans and the law of the sea"

A. General

1. 2003 marks the commencement of a new three-year period for the Consultative Process pursuant to General Assembly resolution 57/141, which recommended that discussions be organized around the following areas:

(a) Protecting vulnerable marine ecosystems; and

(b) The safety of navigation; for example, capacity-building for the production of nautical charts;

as well as issues discussed at previous meetings.

2. Reports were received from the Food and Agriculture Organization of the United Nations (FAO) and the United Nations Environment Programme (UNEP), respectively, on illegal, unreported and unregulated fishing and the protection of the marine environment from land-based activities — the two key topics from the first meeting of the Consultative Process.

3. The intervening period since the third meeting of the Consultative Process has seen a heightened awareness and focus on oceans issues with the 20th anniversary of the opening for signature of the United Nations Convention on the Law of the Sea (UNCLOS) and the World Summit on Sustainable Development (WSSD). The catastrophic consequences of the sinking of the oil tanker *Prestige* provided a dramatic focus for substantive discussion on safety of navigation and the protection of vulnerable marine ecosystems.

B. Safety of navigation

4. There is already a substantial body of international agreements, instruments and programmes of work addressing the issue of safety of navigation and it was proposed that the General Assembly reiterate its call in resolution 57/141 to improve the implementation of international agreements and the coordination of activities of organizations with related mandates and work programmes.

5. An effective maritime infrastructure and administration is, however, vital to ensure national compliance with international regulations, procedures and practices. Accordingly, it was further proposed that the General Assembly urge States to establish or strengthen appropriate national institutional and legal frameworks to achieve this end.

C. Capacity-building for the production of nautical charts

6. Hydrographic surveys and nautical charting are critical to the safety of navigation and life at sea, environmental protection, including vulnerable marine ecosystems and the economics of the global shipping industry. The move towards

electronic charting not only provides significantly increased benefits for safer navigation and management of ship movements but also provides data and information that can be used for fisheries activities and other sectoral uses of the marine environment, delimitation of maritime boundaries and environmental protection.

7. It was proposed that the General Assembly:

(a) Welcome the work of the International Hydrographic Organization (IHO) and its 14 regional hydrographic commissions and encourage increased membership of the IHO by States, noting that organization's capacity to provide technical assistance, facilitate training and identify potential funding sources for development or improvement of hydrographic services; and call upon States and agencies to support the IHO trust fund and examine the possibility of partnerships with the private sector;

(b) Invite IHO and the International Maritime Organization (IMO) to continue their coordinated efforts and to jointly adopt measures with a view to encouraging greater international cooperation and coordination for the transition to electronic nautical charts; and to increase the coverage of hydrographic information on a global basis, especially in the areas of international navigation and ports and where there are vulnerable or protected marine areas;

(c) Encourage intensified efforts to build capacity for developing countries, in particular for the least developed countries, small island developing States and coastal African States, to improve hydrographic services and the production of nautical charts, including the mobilization of resources and building of capacity with support from international financial institutions and the donor community, recognizing that economies of scale can apply in some instances at the regional level through shared facilities, technical capabilities and information for the provision of hydrographic services and the preparation of and access to nautical charts.

D. Measures to enhance safety of navigation

8. It was proposed that the General Assembly:

(a) Urge States and regional integrated economic organizations to work within the framework of IMO and in accordance with UNCLOS and international rules and regulations regarding measures related to the phase-out of single-hull tankers; and welcome IMO's giving priority to the consideration of any proposals related thereto;

(b) Welcome the work of IMO in developing guidelines on places of refuge for ships in need of assistance; and encourage States to draw up plans and to establish procedures to accommodate such ships in waters under their jurisdiction;

(c) Welcome the convening by the International Atomic Energy Agency (IAEA) of an International Conference on the Safety of Transport of Radioactive Material, 7-11 July 2003, which will provide an opportunity for States to address issues relating to the maritime transport of radioactive materials by sea;

(d) Reiterate its call in resolution 57/141 for all States and relevant international bodies to cooperate in the prevention and combating of piracy and

armed robbery at sea and urge States to give urgent attention towards promoting, concluding and implementing regional agreements, in particular in high-risk areas;

(e) Urge States to implement, as a matter of priority, maritime security legislation consistent with UNCLOS and other relevant agreements for the benefit of world sea-borne trade.

E. Flag State implementation and enforcement

9. Improved implementation and enforcement by some flag States of their responsibilities and duties under international law is urgent and essential to maritime safety as well as sustainable marine resource management. Some flag States are not adequately meeting their obligations under UNCLOS, in particular article 94. This failure puts at risk the delicate balance between the freedoms of navigation enshrined in international law and the rights, obligations and interests of coastal and other States to protect and preserve the marine environment and its resources. This failure also jeopardizes the welfare of seafarers and the interests and obligations of all States in protecting the environment and the resources of the high seas.

10. A multilateral approach is fundamental to addressing international challenges to ship safety, pollution prevention standards, labour standards for seafarers and conservation and management measures.

11. There is also an urgent need to mobilize the necessary resources to assist those flag States that are genuinely attempting to discharge their obligations and responsibilities but are unable to do so owing to capacity constraints; and to address the problem of those flag States that do not meet their responsibilities under international law.

12. It was proposed that the General Assembly:

(a) Urge those flag States without an effective maritime administration and appropriate legal frameworks to establish or enhance the necessary infrastructure, legislative and enforcement capabilities to ensure the effective implementation and enforcement of their responsibilities; and until such action is undertaken, to consider declining the granting of the right to fly their flag to new vessels, suspend their registry or not to open a registry;

(b) Invite the relevant competent international organizations and the Division for Ocean Affairs and the Law of the Sea of the United Nations Secretariat to examine and clarify the role of the "genuine link" in relation to the duty of flag States to exercise effective control over ships flying their flag;

(c) Request the Division for Ocean Affairs and the Law of the Sea of the Secretariat, in cooperation and consultation with relevant organizations and agencies and programmes of the United Nations system, to prepare and disseminate to States a comprehensive articulation of the duties and obligations of flag States and the legal consequences of non-compliance;

(d) Encourage the acceleration of the work of IMO in developing a voluntary model audit scheme and urge IMO to strengthen its draft implementation code;

(e) Welcome the work of FAO in promoting compliance by States and their fishing vessels with conservation and management measures; and request IMO and

FAO to enhance their cooperation and coordination in their efforts with regard to flag State duties relating thereto, including through the Inter-agency Consultative Group on Flag State Implementation;

(f) Welcome the work of the International Labour Organization (ILO) to consolidate and modernize international maritime labour standards and call upon Member States to take an active interest in the development of these new standards for seafarers and fishermen;

(g) Recognize the important role of port States in promoting compliance by flag States with internationally agreed safety, labour and pollution standards, as well as with maritime security regulations and with conservation and management measures;

(h) Invite IMO to strengthen its functions with regard to port State control in relation to safety, labour and pollution standards so as to promote the implementation of globally agreed minimum standards by all States; and invite FAO to continue its work in promoting port State measures in relation to fishing vessels in order to combat illegal, unreported and unregulated (IUU) fishing;

(i) Support the establishment of closer links and increased exchange of information between the various regional memorandums for port State control;

(j) Call upon flag and port States to take all measures consistent with international law necessary to prevent the operation of substandard vessels and illegal, unreported and unregulated fishing activities.

F. Protection of vulnerable marine ecosystems

13. The General Assembly in its resolution 57/141 welcomed the commitments set out in the Johannesburg Plan of Implementation (JPOI) to actions at all levels in accordance with international law to ensure the sustainable development of the oceans, including, inter alia, maintaining the productivity and biodiversity of important and vulnerable marine and coastal areas, including in areas beyond national jurisdiction.

14. The key to the protection of vulnerable marine ecosystems is to manage effectively the threats to, and impacts on, those ecosystems and, while there is already a substantial body of international agreements and programmes of work addressing marine environmental protection, it was proposed that the General Assembly again reiterate the fundamental need to improve the implementation of international agreements and the coordination and cooperation of organizations with related mandates and work programmes.

15. The need for an integrated, interdisciplinary, intersectoral and ecosystem-based approach to management, consistent with the legal framework provided by UNCLOS, the goals of chapter 17 of Agenda 21 and the Johannesburg Plan is re-emphasized by the Consultative Process.

16. It was proposed that the General Assembly:

(a) Welcome the continued work of the United Nations Environment Programme (UNEP), States and regional organizations in the implementation of the

Global Programme of Action for the Protection of the Marine Environment from Land-based Activities;

(b) Stress the need to accelerate activity to safeguard the marine environment against pollution and physical degradation, taking into account the time-bound targets in the Johannesburg Plan of Implementation (JPOI);

(c) Emphasize that the protection of coastal and marine environments is an important component of the World Summit on Sustainable Development target on sanitation;

(d) Invite the Commission on Sustainable Development to include in its focus on water for the next two years the effects of freshwater management on saltwater environments; and

(e) Encourage increased emphasis on the link between freshwater, the coastal zone and marine resources in the implementation of the Millennium Development Goals, taking into account the time-bound targets in the Johannesburg Plan of Implementation and the Monterrey Consensus on Financing for Development.

17. It was proposed that the General Assembly express its satisfaction at the entry into force of the 1993 Agreement to Promote Compliance with International Conservation and Management Measures by Fishing Vessels on the High Seas; and call upon all States that have not yet done so to:

(a) Ratify or accede to and effectively implement the relevant United Nations and, where appropriate, associated regional fisheries agreements or arrangements, noting in particular the Agreement for the Implementation of the Provisions of the United Nations Convention on the Law of the Sea of 10 December 1982 relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks;

(b) Urgently develop and implement national, and as appropriate, regional plans of action to put into effect the FAO international plans of action, in particular the International Plan of Action for the Management of Fishing Capacity by 2005 and the International Plan of Action to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing by 2004.

18. It was proposed that the General Assembly:

(a) Request the relevant parts of the United Nations system, international financial institutions and donor agencies to support increased enforcement and compliance capabilities for regional fisheries management organizations and their Member States;

(b) Encourage work to examine and clarify the role of the genuine link between fishing vessels and their flag States;

(c) Recommend that the interrelationship between ocean activities, such as shipping and fishing, and environmental issues be further addressed.

19. It was proposed that the General Assembly:

Welcome the work under the Convention on Biological Diversity by FAO and other relevant international organizations at all levels in their development of strategies and programmes for the implementation of ecosystem-based management;

and urge these organizations to cooperate in the development of practical guidance in this regard.

20. It was proposed that the General Assembly:

(a) Reiterate its call for urgent consideration of ways to integrate and improve, on a scientific basis, the management of risks to marine biodiversity of seamounts, cold water coral reefs and certain other underwater features;

(b) Note the scientific and technical work under the Convention on Biological Diversity relating to marine and coastal biodiversity;

(c) Invite the relevant international bodies at all levels, in accordance with their mandate, to consider urgently how to better address, on a scientific and precautionary basis, the threats and risks to vulnerable and threatened marine ecosystems and biodiversity beyond national jurisdiction; how existing treaties and other relevant instruments can be used in this process consistent with international law, in particular with the United Nations Convention on the Law of the Sea (UNCLOS), and consistent with the principles of an integrated ecosystem-based approach to management, including the identification of those marine ecosystem types that warrant priority attention; and to explore a range of potential approaches and tools for their protection and management.

21. It was proposed that the General Assembly:

(a) Urge States and relevant international bodies at all levels to enhance their cooperation in the protection and preservation of coral reefs, mangroves and seagrass beds, including through the exchange of information;

(b) Reiterate its support for the International Coral Reef Initiative (ICRI), welcome the outcomes from the Second International Tropical Marine Ecosystems Management Symposium held in Manila in 2003 and support the work of the Jakarta Mandate on Coastal and Marine Biodiversity;

(c) Emphasize the need to mainstream coral reef management approaches into national development strategies, as well as into the activities of relevant United Nations agencies and programmes, international financial institutions and the donor community;

(d) Invite ICRI and other relevant bodies to consider incorporating cold water coral ecosystems into their programme of activities.

22. It was proposed that the General Assembly:

Reaffirm the efforts of States to develop and facilitate the use of diverse approaches and tools for conserving and managing vulnerable marine ecosystems, including the establishment of marine protected areas (MPAs), consistent with international law and based on the best scientific information available, and the development of representative networks of such marine protected areas by 2012.

23. It was proposed that the General Assembly:

Urge IMO as a matter of urgency to complete its work on the development of a draft convention on the control and management of ships' ballast water and sediments and to convene as soon as possible a diplomatic conference to adopt such a convention.

G. Cooperation and coordination on ocean issues

24. It was proposed that the General Assembly:

(a) Express its concern that a new coordinating mechanism for issues relating to oceans and seas called for in paragraphs 63-65 of resolution 57/141 has not been established, and strongly reiterate its request to establish such a mechanism, taking into account paragraph 49 of Part A of the report of the Consultative Process at its third meeting;

(b) Welcome the establishment of the inter-agency Consultative Group on Flag State Implementation, encourage it to study all aspects of the issue, and invite the Secretary-General to distribute its report to the next meeting of the Consultative Process.

25. In order to provide a scientific basis for decision-making on oceans-related issues, it is advisable to establish a regular process under the United Nations for the global reporting and assessment of the state of the marine environment, including socio-economic aspects, as stipulated in resolution 57/141, and it was proposed that the General Assembly:

(a) Welcome the development of a Global Marine Assessment (GMA) as an important step towards strengthening cooperation and coordination between the various organizations and specialized agencies dealing with oceans issues and as a crucial tool to improve policy-making in Governments;

(b) Invite the Division for Ocean Affairs and the Law of the Sea of the Secretariat (DOALOS) to convene an inter-agency meeting to define the participation and contribution of individual organizations, specialized agencies and relevant regional bodies, including regional seas conventions and action plans, to the GMA process referred to in paragraph 45 of resolution 57/141 and paragraph 36 (b) of the Johannesburg Plan of Implementation;

(c) Request DOALOS to convene a group of experts to prepare a detailed plan for the Global Marine Assessment (GMA) for consideration by an intergovernmental meeting, that would define, inter alia, the role of the scientific community, including the Joint Group of Experts on the Scientific Aspects of Marine Environmental Protection (GESAMP), and the possible contributions of non-governmental organizations to the GMA;

(d) Invite the Secretary-General to convene an intergovernmental meeting to discuss and endorse the detailed plan for the scope, modalities and organizational structure of the GMA and to formally establish the process.

Part B
Co-Chairpersons' summary of discussions

Agenda item 1
Opening of the meeting

26. The discussions at the first and the second plenary sessions of the fourth meeting of the United Nations Open-ended Informal Consultative Process on Oceans and the Law of the Sea were based on the annual report of the Secretary-

General on oceans and the law of the sea (A/58/65), as well as on other documents before the meeting, including written submissions by States and international organizations.

27. The overall legal framework for the discussions was provided by the United Nations Convention on the Law of the Sea of 10 December 1982 (UNCLOS) and its two implementing Agreements,[1] while chapter 17 of Agenda 21 provided the programme of action for the sustainable development of oceans and seas, which was re-emphasized in decision 7/1 adopted by the Commission on Sustainable Development at its seventh session, in 1999, and by the Johannesburg Plan of Implementation (JPOI) of the World Summit on Sustainable Development (WSSD) (see report of the World Summit on Sustainable Development, A/CONF.199/20).

28. The meeting was opened by the Co-Chairperson of the fourth meeting, Felipe H. Paolillo (Uruguay). Hans Corell, Under-Secretary-General for Legal Affairs, the Legal Counsel, briefly addressed the meeting in connection with the results of the in-depth evaluation of the Division for Ocean Affairs and the Law of the Sea by the Office of Internal Oversight Services and invited delegations to provide feedback on the performance of the Secretariat. Philip D. Burgess, Co-Chairperson of the fourth meeting (Australia), paid tribute to the former co-chairpersons of the first three meetings of the Consultative Process, Tuiloma Neroni Slade (Samoa) and Alan Simcock (United Kingdom) and reiterated the nature of the work of the Consultative Process and the need to identify practical and achievable outcomes from the meeting.

Agenda item 2
Approval of the format of the meeting and adoption of the agenda

29. Mr. Paolillo presented the proposals of the Co-Chairpersons for the format and annotated provisional agenda of the fourth meeting (A/AC.259/L.4). As a result of the informal consultations preceding the meeting,[2] the format and annotated provisional agenda were adopted by consensus.

Agenda item 3
Exchange of views on areas of concern and actions needed

A. The Consultative Process

30. Delegations welcomed the decision by the General Assembly in resolution 57/141 to extend the Consultative Process for another three years. They highlighted the benefits of the innovative format of the Process, which encouraged participation by intergovernmental agencies and non-governmental organizations. The format provided for comprehensive, focused and constructive examination of legal, political, economic, social, environmental and other relevant aspects of ocean affairs. Many participants emphasized the need to continue the practice established

[1] Agreement relating to the Implementation of Part XI of the Convention and the Agreement for the Implementation of the Provisions of the Convention relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks.

[2] One round of informal consultations was held on 14 April 2003.

at the current meeting of reporting on progress made in the areas of focus discussed at previous meetings.

B. The World Summit on Sustainable Development and the Johannesburg Plan of Implementation

31. Many delegations expressed satisfaction that the outcome of the third meeting of the Consultative Process in 2002 had contributed to the success of the World Summit on Sustainable Development (WSSD) and to the inclusion of two chapters in the Johannesburg Plan relating to ocean affairs, namely, Chapter IV, paras. 30-36 on "Oceans, seas, islands and coastal areas" and Chapter VII on "Small island developing States". There was general agreement that the WSSD oceans text emphasized action-oriented approaches and that it was critical to effectively implement the WSSD commitments.

32. A number of delegations made reference to WSSD partnership initiatives, which included, inter alia, conserving biodiversity on the high seas, protecting coral reefs and increasing scientific and technical collaboration on oceans observation and assessment. Particular mention was made of the third World Water Forum in Kyoto, which had explicitly encompassed marine issues, making critical links between freshwater and salt water. In addition, many delegations stressed the need to focus on the implementation and enforcement of relevant international instruments, programmes and plans.

33. The representative of the Intergovernmental Oceanographic Commission (IOC) of the United Nations Educational, Scientific and Cultural Organization (UNESCO) informed the meeting that IOC would continue to develop the Global Oceans Observing System (GOOS) as the ocean component of the Global Climate Observing System, according to its mandate as confirmed by WSSD. He added that IOC had initiated action to comply with requests to increase its direct involvement in the implementation of Parts XIII and XIV of UNCLOS.

C. Report of the Secretary-General

34. The meeting expressed its appreciation for the quality of the report of the Secretary-General on "Oceans and the law of the sea" and the comprehensive background material on the two areas of focus, for the fourth meeting. However, a number of delegations regretted that some traditional subjects had been omitted from the report owing to limitations on its length and expressed their wish for more comprehensive reporting on oceans and the law of the sea in order to facilitate and inform the debate in the General Assembly.

D. Implementation of UNCLOS, the related Agreements and relevant international instruments

35. There was general agreement that UNCLOS continued to provide the overall legal framework for all ocean activities and that States should provide for its effective implementation and enforcement. A number of States Parties urged States that had not yet done so to consider ratifying or acceding to UNCLOS and other international instruments, stressing the importance of universality. They also underlined the need to harmonize national policies and legislation with the Convention.

E. Fisheries governance and the issue of illegal, unreported and unregulated fishing (IUU fishing)

36. The representative of FAO reported on progress made in the implementation of responsible fisheries and the continuing problems of IUU fishing. He noted that fishery resources were continuing to experience severe pressures from, inter alia, increasing population and migration to coastal areas, mounting levels of fishing effort, increasing levels of land-based pollution, open- or quasi-open access fisheries, unsustainable fishing practices, competing activities in coastal zones and the lack of political will, or inability, to tackle the problems facing fisheries in a coherent and sustained manner.

37. Among encouraging developments, the FAO representative mentioned the progress made at the national and regional levels to implement the 1995 Code of Conduct for Responsible Fisheries; the recent entry into force of the 1993 Agreement to Promote Compliance with International Conservation and Management Measures by Fishing Vessels on the High Seas, the Convention on the Conservation and Management of Fishery Resources in the South-East Atlantic Ocean; and the progress made towards the ratification of the Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean.

38. The FAO representative also stated that in order to facilitate and encourage strong and effective regional management of fishery resources, FAO had encouraged regional fishery bodies to: adopt precautionary measures; focus on ecosystem approaches to management; accommodate new entrants realistically; ensure that decision-making procedures were not an obstacle to effective fisheries management; and generally strengthen regional collaboration in fisheries matters in all areas.

39. In addition, the representative pointed out that FAO had adopted measures to disseminate and facilitate the implementation of its 2001 International Plan of Action to Prevent, Deter and Eliminate IUU fishing, including dissemination of the Code of Conduct Technical Guideline No. 9 relating to the practical implementation of the International Plan of Action. He indicated that FAO had been working with States and regional fishery bodies to strengthen monitoring, control and surveillance networks and referred to the Expert Consultation to Review Port State Measures to Combat IUU fishing, which was held in November 2002 and which elaborated a draft memorandum of understanding on port State measures to combat IUU fishing.

40. In conclusion, the representative informed the Consultative Process that FAO would convene a series of meetings to address the issue of IUU fishing. These included: (i) a meeting of countries that operate open registries scheduled to take place in Miami in September 2003; (ii) a Technical Consultation on the interface between IUU fishing and fishing capacity (June 2004); (iii) a Technical Consultation on Port State Measures to Combat IUU Fishing (September 2004); and (iv) a series of regional workshops from 2003 to 2005 to assist countries develop national plans of action to combat IUU fishing.

41. Many States pointed out that a major factor in the high incidence of IUU fishing was a failure by flag States to fulfil their obligations under international law, which had allowed illegal fishing to evolve into an organized criminal activity.

42. Several delegations provided an overview of their activities in the field of fisheries conservation and management, referring to regional agreements such as the

Framework Agreement for the Conservation of the Living Marine Resources on the High Seas of the South-East Pacific ("Galapagos Agreement"), Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean, and to their implementation of the FAO Code of Conduct for Responsible Fisheries. One delegation reported that following the adoption of strict enforcement measures in respect to its fishing fleet on the basis of FAO instruments, its Government had managed to reduce excess fishing capacity and provide for the reduction of by-catch and discards.

43. In addition, a number of delegations stressed the need to operate on the basis of best scientific evidence available and scientific consensus among stakeholders in order to provide for effective management of ocean resources. They proposed, inter alia, to accelerate the implementation of controls on IUU fishing through a more systematic approach to compliance and enforcement measures adopted at the regional level and to strengthen regional fishery bodies to allow them to develop and apply an ecosystem-based and precautionary management approach to fishing activity.

F. Protection and preservation of marine environment

44. The representative of the United Nations Environment Programme (UNEP) provided a report on the implementation of the Global Programme of Action for the Protection of the Marine Environment from Land-based Activities. He highlighted three policy considerations in the implementation of the GPA, namely that: (i) the protection of coastal and marine environments was an important component of the WSSD target on sanitation; (ii) the focus of the Commission on Sustainable Development on water for the next two years should include the effects of freshwater management on saltwater coastal and marine ecosystems; and (iii) poverty reduction strategies and global efforts to implement the Millennium Development Goals and the Monterrey Consensus on Financing for Development should place increased emphasis on the link between freshwater, the coastal zone and marine resources. In this respect, the representative stated that freshwater and saltwater issues should no longer be considered in isolation, since the management of water, particularly water for sanitation and its treatment prior to re-entering the water cycle, was a fundamental policy issue with direct consequences for the health and productivity of coastal and marine areas.

45. He also indicated that among the outcomes of the 2001 first Intergovernmental Review Meeting on the Implementation of the Global Programme of Action (GPA), particular reference should be made to the Montreal Declaration and the approved programme of work of the GPA Coordination Office on the following issues: implementation of the Strategic Action Plan on Municipal Waste Water and the programme on physical alteration and destruction of habitats; and support to national Governments in developing and adopting national programmes of action to implement the Global Programme of Action. In this connection, the central role of Governments in implementing the GPA and the critical role of the respective regional seas conventions and action plans in facilitating coordination of such implementation were highlighted. Moreover, recognition was given to the urgent need for States to integrate coastal resource management and the requirements of coastal zone protection with river basin management.

46. A number of delegations and regional organizations referred to measures they had taken at the national, subregional and regional levels to protect the marine environment from pollution caused by human activities. Among those measures, reference was made to the establishment of environmentally coherent network of marine protected areas (MPAs) in the North Atlantic region and the development by the Arctic Council of a strategic plan for the protection of the Arctic marine environment.

47. One delegation noted, however, that despite some progress, the implementation of the Global Programme of Action had fallen short of expectations and recalled appeals for a new and improved process to assess marine pollution, noting the impacts of land-based activity on living marine resources and marine biodiversity.

G. Labour conditions of seafarers

48. The representative of the International Labour Organization (ILO) pointed out that UNCLOS placed on the flag State the primary responsibility for ensuring compliance of labour conditions of seafarers with applicable international instruments, such as the Merchant Shipping (Minimum Standards) Convention, 1976 (No. 147) and the 1998 ILO Declaration on Fundamental Principles and Rights at Work. He indicated that ILO would convene an International Labour Conference in 2005 for the purpose of adopting a consolidation of the over 60 international maritime labour standards into a new clear, simple, enforceable, easy to ratify and easy to implement instrument. The Conference would also adopt comprehensive standards for working conditions in the fishing sector.

49. He referred to the recent ILO Tripartite Meeting of Experts on Working and Living Conditions of Seafarers on board Ships in International Registers, which stated that in order to effectively exercise its jurisdiction in social matters, every State should have a sound maritime administration with a firm legislative framework complying with, as a minimum, international labour standards and strong enforcement. The representative stressed that the flag State had overall responsibility for ensuring that the rights of seafarers were respected in relation to service on board ships flying its flag and for enforcing labour standards. Consequently, he called upon all Member States of the United Nations to take an active interest in the development of new ILO standards for seafarers and fishermen in order to close a gap in the implementation of UNCLOS and to ensure that the standard adopted was fully integrated into the web of international legal instruments.

50. One delegation stated that the failure of flag States to comply with their obligations facilitated human rights abuses against seafarers, migrants and refugees, and provided a permissive environment for illicit traffic of weapons to areas where they could contribute to human rights abuses.

H. Global Marine Assessment

51. Delegations noted with appreciation the decision of the General Assembly at its fifty-seventh session, as proposed by the Consultative Process in 2002 and recommended by WSSD, to establish by 2004 a regular process for global reporting and assessment of the state of the marine environment. At the same time, the need for maximum cooperation, coordination and avoidance of overlapping among all concerned agencies, including the European Environment Agency (EEA), the

International Council for the Exploration of the Sea (ICES), the Baltic Marine Environment Protection Commission (HELCOM) and the Oslo and Paris Commissions (OSPAR), was underlined.

Areas of focus

52. The two areas of focus for the fourth meeting of the Consultative Process were: (a) safety of navigation; for example, capacity-building for the production of nautical charts; and (b) protection of vulnerable marine ecosystems. With respect to the issue of safety of navigation, a number of delegations referred to the *Prestige* incident noting the damage to marine ecosystems and coastal areas of Spain, France and Portugal. It was pointed out that there was a lack of implementation by certain flag States of their obligations under UNCLOS and that temporary measures of a preventive character and based on the precautionary approach were justified. In this connection, some delegations, including the Alliance of Small Island States, reiterated their continuing concern over the shipment of radioactive materials through their exclusive economic zones, and the risks from exposure to nuclear materials. These delegations referred to proposals made to shipping States aimed at securing their acceptance of full responsibility and liability for compensation for damages, assurances as to compliance with the highest possible safety standards and appropriate advance notification of shipments.

53. Other delegations expressed concern that, since the *Prestige* incident, some coastal States had taken extreme measures inconsistent with international law as reflected in UNCLOS. In addition, measures taken unilaterally or on a regional basis might result in exporting the risks posed by substandard or certain types of vessels to other coastal areas. These delegations noted that the measures had been protested and emphasized that IMO was the appropriate forum for dealing with the issue of tanker safety. They considered that collective, multilateral solutions had to be found to protect the marine environment without disturbing the delicate balance of interests as reflected in UNCLOS.

54. Many delegations highlighted the continued degradation of the marine environment and the need to give priority to the protection of vulnerable marine ecosystems. It was noted that the most serious threats to the oceans arose from both coastal and inland human activities resulting in pollution and habitat destruction, as well as from the effects of fisheries activities, in particular, IUU fishing. A group of delegations expressed the opinion that a broad range of rules and measures already existed to protect vulnerable marine ecosystems and that greater efforts were needed to ensure the effective application of all existing instruments.

55. Other delegations welcomed the commitments reflected in the Johannesburg Plan of Implementation of the WSSD and the work conducted within the context of developing an environmental vulnerability index, especially for small island developing States. Reference was also made to the opportunity to consider appropriate management approaches and tools to protect vulnerable marine and coastal ecosystems during the preparation for the ten-year review of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States, to be held in Mauritius in 2004.

56. The two areas of focus were discussed in depth in Panels A and B, respectively. For the complete texts of presentations made by the panellists during

the discussion panels see the web site of the Division for Ocean Affairs and the Law of the Sea: www.un.org/Depts/los.

Discussion Panel A:
Safety of navigation

(a) Capacity-building for the production of nautical charts

57. Mr. Richard West (President, Consortium for Oceanographic Research and Education) focused on recent technological advances in the field of nautical charts. He underlined that improving the accuracy of charts was essential for the safety of navigation and for safety of life at sea, as well as for the protection of the marine environment, which could be adversely affected by accidents caused by inaccurate or outdated nautical charts. Statistical projections showing a marked increase in the already sizeable volume of sea traffic confirmed the importance of improving the quality of nautical charts in the future. The introduction of electronic navigational charts had improved the safety of navigation, making it possible to identify an object within approximately one metre, whereas paper charts would locate such object at a distance of more than one kilometre. He explained that the most advanced electronic navigation charts operated as databases layering different kinds of information (e.g., tides, water levels and weather data). The available state-of-the-art technology made it possible for a ship to be automatically piloted if equipped with the necessary Global Positioning System (GPS) technology and the available electronic charts, allowing real-time tracking of the position of a vessel. Applications of electronic navigation charts included their use for Geographic Information Systems, coastal zone management, marine habitat mapping, emergency response planning, and homeland and port security. Mr. West strongly urged all ships to use electronic navigation charts.

58. Mr. Kenneth Barbor (Director, International Hydrographic Bureau) highlighted the benefits of accurate up-to-date nautical charts and the value of the data used for their production for many maritime activities. He underlined that the capacity to produce nautical charts was not only beneficial to the coastal State, it was also a requirement under Chapter V of the International Convention for the Safety of Life at Sea (SOLAS). He indicated that capacity was required in the following three components of nautical charts: hydrography; nautical cartography; and a maritime safety information network. While a developing coastal State might rely upon another State for the provision of some or all of these components, they should be under the management of a properly constituted and resourced maritime safety authority. Therefore, capacity-building was essential to the realization of adequate nautical charts. Accordingly, he stressed the commitment of the Bureau and the Member States of the International Hydrographic Organization (IHO) to increase the capacity of developing States to produce nautical charts through functional assessments, technical assistance, project development and project donor identification. An objective of IHO was the coordination of activities of national hydrographic offices so that the existing capacity was put to effective use and duplication of effort was minimized. Pivotal to the effective execution of IHO's global objectives were its 14 regional hydrographic commissions, which provided a regional focus on opportunities for cooperation, sharing of resources and coordination of projects, enhancing the capacity of countries within the region. He

emphasized that the active involvement of non-member States was strongly encouraged in their respective regional hydrographic commissions.

59. Mr. Yves Desnoës (Director, Service Hydrographique et Océanographique de la Marine Française) in introducing electronic navigation charts and their application, stated that the new technology had eliminated the shortcomings of traditional paper charts. He added that even though the short-term investment necessary to start the production and use of electronic charts could be high, the long-term savings and advantages deriving from their use were by far superior. He indicated that there were three kinds of electronic navigation charts: (i) raster charts, which were merely a digital reproduction of scanned paper charts; (ii) vector charts, which operated as databases and made it possible to trace a safe course and, in real time, detect obstacles that the navigator could have missed; and (iii) charts containing high-resolution bathymetric models of the terrain, which provided refined data for a more accurate reproduction of the seabed.

60. Mr. Desnoës noted, however, that three key points had to be kept in mind in order to advance the use of such charts. Firstly, the coverage of some areas was still poor: data and information, even when available, were hard to interpret and only referred to the 73 member States of the IHO; secondly, data and information had to become more widely available, accessible and standardized; and thirdly, safety of navigation had to be enhanced. In conclusion, Mr. Desnoës stressed the need for a clearer delineation of the respective competences of IMO and IHO in order to avoid overlaps or inconsistencies. He believed that strong support from the United Nations was very important in order to make progress in this field.

Discussion

61. A number of delegations from States that were already implementing electronic navigation charts underlined the advantages of switching from traditional paper charts to electronic charts. In particular, they noted that last generation electronic navigation charts (as opposed to raster-scan charts) operated as sophisticated databases that simplified the management of maritime data and information. They indicated that this could prove very helpful for the protection of the marine environment, and especially vulnerable ecosystems, or for prospecting of the seabed. They also noted that such charts were very useful in jurisdictional mapping.

62. Other delegations, however, underlined practical shortcomings of the electronic charts. They pointed out that significant financial efforts were necessary for the transition to such charts, and while they covered mostly port and coastal areas, paper charts were still used for navigation in other areas. As a result, until electronic charts provided complete coverage, two sets of nautical charts had to be maintained. They further pointed out that currently there were no agreed standards for electronic chart production and dissemination. While some software applications offered data conversion capabilities, it was emphasized that there was a need for the development of standards in this particular field.

63. Many delegations highlighted the need of developing countries for comprehensive capacity-building in the field of nautical charts. They believed that the presence of a legal and administrative framework, as well as the necessary infrastructure, was a pre-condition fundamental to the efficient long-term management and maintenance of nautical charts. Differing views were offered with

regard to how best to coordinate the provision of technical assistance in the field of nautical charts. Some delegations underlined that the most efficient way to ensure effective capacity-building was through bilateral projects involving a national hydrographic service that was a member of IHO. Other delegations were of the view that it would be preferable to proceed within the framework of IHO and suggested the establishment of a capacity-building committee within that organization.

64. Moreover, attention was drawn to the difficulty of securing funding for technical assistance, in view of the fact that IHO did not have funding to ensure capacity-building projects. Therefore, IHO activities had concentrated on matching donors with States requiring assistance and it had also taken steps to establish a trust fund for capacity-building.

(b) Safety of navigation

65. Ms. Anne Christine Brusendorff (Professional Secretary, Baltic Marine Environment Protection Commission) indicated that the work carried out within the framework of the Baltic Marine Environment Protection Commission (HELCOM) had two aims: to protect the marine environment of the Baltic Sea from all sources of pollution, in view of its particular sensitivity; and to preserve its ecosystem. The work to reduce the environmental risks associated with the heavy traffic in the Baltic Sea area was mainly concentrated around eliminating illegal discharges; improving safety of navigation to reduce the risk of accidents; and ensuring there was an adequate ability to respond to an accident. In this connection, she referred to a package of amendments to the Helsinki Convention adopted at an extraordinary ministerial HELCOM meeting in September 2001 aimed at improving the safety of navigation and emergency response in the Baltic Sea area. She indicated that other activities required under HELCOM included regular hydrographic surveys to ensure up-to-date information on water-depths. She explained that as a result of the use of electronic navigation charts by the Baltic Sea States, all shipping routes and ports would be covered by such charts by the end of 2004. She noted that port State control officers would be intensifying the control of paper charts on ships posing a risk to the marine environment.

66. In addition, she referred to the development of a common Baltic automatic identification monitoring system, which would be operational by 1 July 2005; the decision by the Baltic Sea States to strengthen compliance with maritime safety regulations by, inter alia, establishing common procedures for the investigation of accidents; and the decision of those States to refrain from making use of any exemption and relaxation provisions in order to ensure that single-hull oil tankers would be phased out at the earliest date possible under the IMO regime. She explained that a HELCOM Ministerial Meeting in June 2003 would address the environmental impacts of shipping and decide whether to designate the Baltic Sea as a Particularly Sensitive Sea Area (PSSA). The environmental impacts of shipping would also be addressed at a subsequent joint HELCOM/OSPAR ministerial meeting.

67. Mr. Gaetano Librando (Senior Legal Officer, Legal Office, IMO) devoted his presentation to recent developments in IMO relating to the safety of navigation, outlining measures taken by IMO to address maritime security concerns, the most far-reaching being the adoption of the new International Ship and Port Facility Security Code (ISPS Code) and other amendments to SOLAS. He mentioned that the

IMO Legal Committee had begun consideration of amendments to the Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation and its Protocol.

68. In addition, Mr. Librando indicated that IMO and IHO were jointly preparing a draft resolution on hydrographic services for submission to the IMO Assembly intended to assist States in the implementation of the revised SOLAS Chapter V regulations. The draft resolution, inter alia, encouraged Governments to promptly transmit new hydrographic information to the International Hydrographic Bureau (IHB) or to the hydrographic authorities in those countries that issued charts covering waters off their shores or to otherwise ensure the earliest and widest dissemination of hydrographic information. Other important issues under consideration by IMO were the proposals by the European Union to: (i) accelerate the phase-out of single-hull tankers; (ii) broaden the application of the Condition Assessment Scheme; and (iii) prohibit the carriage of heavy-grade oils by single-hull tankers. These proposals would be discussed at the IMO's Marine Environment Protection Committee (MEPC) in July 2003 and also possibly at an extraordinary session of the Committee in December 2003. Another issue to be discussed by MEPC was the designation of a Western European PSSA and a proposed new protective measure aimed at prohibiting the carriage of heavy grades of oil in vessels of more than 600 dwt, except double-hull tankers, which would have to comply with a reporting obligation. He indicated that IMO was working on the development of guidelines for the establishment of places of refuge for ships in distress, which were to be adopted by the IMO Assembly later this year. He stated that the solution to this issue consisted in finding a balance between the duty of States to render assistance to ships in distress and the right of States to regulate entry into their ports and to protect their coastlines from pollution. In concluding his presentation, Mr. Librando drew attention to a number of measures taken by IMO to enhance flag State implementation, which included the development of an IMO model audit scheme, preparatory work to draft an implementation code and proposed measures to enhance reporting on violations.

Discussion

(i) Measures to enhance safety of navigation

69. Several delegations emphasized that recent accidents, like those involving the vessels *Erika* and *Prestige*, had resulted in serious harm to the marine environment, highlighting the importance of safety of navigation. They expressed the view that the traditional principle of freedom of navigation had to be accommodated within the increasing concerns of today's society over environmental protection. They stated that, in the event of a major pollution accident, a State might regard the international framework at its disposal as ill-adapted to its short-term needs. Nonetheless, that State should, as a priority, utilize the existing international framework to the fullest possible extent and attempt to solve remaining problems through multilateral initiatives in the competent forums. These delegations indicated that they preferred a global approach, in order to achieve an orderly development on a broader scale. They referred to the general framework provided in UNCLOS, which had to be respected, as well as the relevant provisions of IMO conventions that had to be rigorously enforced, as also recommended by the WSSD.

70. Other delegations referred to the role of IMO as the competent international organization for the adoption of international rules and standards for the safety of navigation and the prevention of marine pollution, and emphasized that any new measures regarding safety of navigation should be considered and adopted under the auspices of IMO. In connection with the proposed designation of a Western European PSSA, opinions were expressed that it was important for any proposed associated protective measure to be in conformity with UNCLOS. One delegation pointed out that UNCLOS did not provide for the establishment of PSSAs or MPAs on the high seas.

71. Moreover, several delegations specifically expressed their opposition to actions that had been taken by some European States in response to the *Prestige* incident, i.e., prohibiting the transit of single-hull tankers through their territorial seas and exclusive economic zones (EEZ) and denying entry of such vessels into their ports. They expressed the view that banning a ship from the EEZs and forcing it to navigate beyond 200 nautical miles from the coast affected the safety of such a ship and its crew and also constituted a unilateral action that contravened both UNCLOS and the International Convention for the Prevention of Pollution from Ships (MARPOL 73/78). One delegate stated that unilateral actions taken by some States had been directed against ships that complied with international rules and standards. Another delegation drew attention to the commitment by States participating in the 2003 G-8 Summit to act in accordance with UNCLOS, as reflected in the Action Plan for Marine Environment and Tanker Safety.

72. However, a number of delegations indicated that they did not endorse the opinion according to which actions taken by States that had been seriously affected by a shipping accident were ipso facto in conflict with UNCLOS. They emphasized that more attention should be given to the position of coastal States that were exposed to the dangers of disastrous accidents caused by unsafe ships. They pointed out that unilateral actions constituted a last resort, if there was no adequate response to shipping accidents at the multilateral level. They believed that States were entitled to take provisional unilateral actions on a precautionary basis and as a legitimate right of defence against unsafe vessels carrying oil and other dangerous cargo, as long as rules governing safety of navigation had not been updated. In this connection, some delegations stressed the need to reform international legal instruments, in view of the fact that some aspects of the legal framework in UNCLOS were outdated. The Convention did not address the consequences of non-compliance by flag States, which were dealt with by customary international law. They added that the general international law of State responsibility allowed the taking of counter-measures proportional to the wrongful act, justifying therefore the use of unilateral action, even though it was not the best alternative.

73. Several delegations emphasized the need to balance the interests of States transporting dangerous goods, including radioactive materials, with those of States wishing to protect the marine environment on the high seas and in areas under national jurisdiction. Another delegation stressed that any restrictions on the freedom of navigation should only be introduced with the agreement of the entire international community through IMO. They indicated that, although the pre-emptive approach emphasized a number of concerns, such an approach lacked legitimacy and effectiveness.

74. In addition, several delegations recalled that another issue of concern related to safety at sea was the high number of acts of piracy and armed robbery. They expressed their strong support for further regional cooperation to prevent and combat piracy and armed robbery at sea in high-risk areas and expressed the hope that the maritime security measures adopted by IMO would also have a positive effect. One delegation indicated that its country had initiated and promoted the strengthening of cooperation in the prevention and suppression of piracy and armed robbery at sea against ships in Asia through the development of a regional legal framework.

(ii) Improving flag State implementation and enforcement

75. It was generally agreed that the implementation of existing international safety rules and regulations by flag States — rather than the development of new regulations — was very important for the safety of navigation and the protection of the marine environment. Many shipping accidents and resulting loss of life and/or pollution were the direct result of the ineffectiveness or unwillingness of some flag States to implement safety measures and standards to prevent, reduce and control pollution of the marine environment. This problem affected not only safety of navigation, but also, for example, the working conditions of seafarers, the protection of the marine environment and the conservation of marine living resources. Many delegations underlined the need for improved implementation and enforcement by flag States of their various responsibilities under international law. Specific reference was made to the obligations under articles 94, 192, 194 (5) and 235 of UNCLOS, as well as to Principles 2, 13 and 16 of the Rio Declaration on Environment and Development. One delegation pointed out that his country as a flag State always took its responsibilities under UNCLOS and the IMO instruments seriously and would continue to do so. Another delegation pointed out that it was necessary for the flag State and the shipping industry to collaborate and share the responsibility for implementation and enforcement of relevant international rules and standards.

76. A number of delegations noted that the problems related to flag State implementation in the shipping and fisheries context, while not the same, had important similarities and needed therefore to be addressed together. In that connection, IMO and FAO were commended for their ongoing efforts to improve flag State implementation, and it was suggested that they should coordinate their efforts in this respect. Some delegations indicated that the Consultative Process and the General Assembly could play a coordinating role in the comprehensive consideration of issues associated with the development by the United Nations specialized agencies of measures to strengthen flag State implementation. In addition, specific reference was made to the development by IMO of a voluntary Model Audit scheme in conjunction with a flag State implementation code. In this regard, one delegation pointed out that only 50 of the IMO members had submitted their self-assessment forms to the organization and that more efforts were required in that regard. The same delegation also referred to the low rate of ratifications/accessions to the United Nations Fish Stocks Agreement and the FAO Agreement to Promote Compliance with International Conservation and Management Measures by Fishing Vessels on the High Seas and emphasized that less than 10 States had ratified both instruments.

77. Several delegations agreed with the conclusion of the Secretary-General in his report on oceans and the law of the sea that there was a need to define the "genuine link" between the flag State and the vessel flying its flag. Some delegations expressed support for the proposal by a group of several non-governmental organizations to develop an implementing agreement to UNCLOS, which would secure the effective implementation by flag States of their obligations under both UNCLOS and applicable international law. However, a number of delegations expressed the view that restricting the scope of discussion only to the genuine link would be insufficient to address the overall effectiveness of flag State implementation. They stated that standards or criteria aimed primarily at qualifying a vessel for documentation would not ensure subsequent enforcement by the flag State of relevant international standards.

78. Accordingly, those same delegations proposed that the Consultative Process recommend to the General Assembly to: (i) confirm that every flag State should have an effective maritime administration with a firm legislative framework complying with the generally accepted international regulations, procedures and practices; (ii) urge those flag States that did not have such an effective maritime administration to take the necessary steps, on an expedited basis, to establish such an administration, and until they had one in place, to consider declining to accept new ships on their registry, and even to consider suspending their registry; (iii) recommend that no State open a ship's registry until it has an effective maritime administration; and (iv) call on all Member States, agencies and stakeholders to take an active interest in the development by ILO of a consolidated maritime labour standards convention.

79. Some delegations did not believe that a new implementing agreement was needed. The most effective way of addressing the problem of IUU fishing was to fully implement the FAO International Plan of Action to Prevent, Deter and Eliminate IUU Fishing, which did not focus exclusively on improving flag State implementation, but also provided tools for coastal, port and market States to prevent or mitigate IUU fishing activities. They suggested that the work of FAO be endorsed and encouraged. Other delegations underlined the vital role of port States in promoting compliance by flag States with internationally agreed safety and pollution prevention standards. One delegation proposed that port State control should be strengthened gradually and be especially targeted to older single-hull tankers. Another delegation emphasized that the measures that were being taken by some States in relation to single-hull tankers could result in single-hull tankers moving to other regions and would raise the cost and efficiency of inspections in those regions.

Discussion Panel B:
Protection of vulnerable marine ecosystems

80. Marine ecosystems are generally defined as the sum total of marine organisms living in particular sea areas and the interactions between those organisms and the physical environment in which they interact. Vulnerable marine ecosystems could be defined as those particularly susceptible to disruption or damage by adverse impacts of human activities, such as marine pollution, overutilization of living marine resources or use of destructive fishing practices. While some ecosystems may be fairly resilient and recover quickly from external shocks, others may collapse under either slight or repeated stress. Vulnerable marine ecosystems include, but are not

limited to, mangroves, seagrasses, coral reefs, seamounts, polar regions and hydrothermal vents.

81. Mr. Daniel Pauly (The Sea Around Us Project, Fisheries Centre, University of British Columbia, Vancouver, Canada) stated that global fisheries had been declining since the late 1980s owing to overfishing, in contradiction with the official reports used in global assessments by FAO. As a result, he indicated that there was a trend by the fishing industry towards an expansion of fishing into deeper areas and further offshore, especially in the Southern Hemisphere, using fishing gear and techniques, such as bottom trawling or dredging, that generate excessive by-catches and are damaging to marine ecosystems. He also pointed out that development of aquaculture and mariculture in many cases had generated adverse impacts on capture fisheries. He suggested that the establishment of marine protected areas (MPAs), including on the high seas, could counter this global trend and reduce adverse impacts on marine ecosystems. He pointed out, however, that the establishment of such areas had to be complemented with the effective implementation of fishery management regimes in adjacent areas.

82. Mrs. Diana Ponce-Nava (Deputy Attorney-General for the Environment, Mexico) underlined the work done by Mexico to protect its marine areas and resources. She pointed out that 36 coastal and marine natural protected areas had been established along the coast of Mexico (13 characterized by rich coral reef systems) and more than 2,000 marine species had been listed as threatened since 2001. Mexico had also enacted a number of laws and regulations, some of which had made damage to protected wildlife a serious crime. As to Mexico's experience in the area of protection of coral reefs, she pointed out that the most serious problem faced by Mexico was the grounding of vessels on reefs. To illustrate her point, she gave examples of this type of accident and of the difficulties in dealing with its destructive consequences, especially in terms of liability and compensation for damage and restoration. In conclusion, she identified the issues on which competent multilateral bodies should focus for the protection of fragile ecosystems. These included: biological and ecological evaluation of coral reef system status and non-use values; fragile ecosystems information exchange; international cooperation in the event of accidents involving foreign vessels and the establishment of liability and compensation regimes; technical assistance for the production of charts; and development of economic assessment techniques for both restoration and non-use values.

83. Mr. Olav Orheim (Director, Norwegian Polar Institute) indicated that the Arctic, as a vast region of natural resources covering 33 million km^2, was a region of contrasts, challenges and opportunities. The Arctic Ocean covered 20 million km^2 and had a large continental shelf. The most striking feature was its perennial sea ice, which was in constant motion caused by winds and currents and could grow up to three metres thick. Existing arctic biological systems were young and characterized by low species diversity and a relatively high number of endemic species. The species and the food chain were well adapted to the harsh climate, including the highly variable weather conditions. Although the Arctic region had a relatively clean environment, it was the end point for contaminants transported through the atmosphere, oceans and rivers, which could become highly concentrated as they moved up the arctic food chain. The key environmental challenges in the Barents Sea were: (i) commercial fishing and its impact on the marine environment with changes affecting the rates of spawning, growth and mortality of fish populations;

(ii) persistent organic pollutants and heavy metals that accumulated in the Arctic environment, although their sources were scattered elsewhere, and were able to persist for decades; (iii) petroleum development, which had to reconcile industrial development with the conservation of fisheries and the protection of a pristine environment; (iv) shipping activities that had increased sharply since 2002, with the potential for more in 2015 when the expected pipeline from West Siberia to Murmansk would be built; (v) radioactive fallout that had originated mainly from weapons testing during the 1945-1980 period, from the Chernobyl accident of 1986 and from reprocessing facilities in Western Europe; and (vi) climate change, which would have a potential impact on an ice-free Arctic Ocean.

84. Mr. Orheim stated that Norway had taken management measures to address the issues raised by the rapid changes and potential conflicts between users. For instance, in the Archipelago of Svalbard, Norway applied the precautionary approach and the polluter-pays principle to the management of resources and had made Svalbard an important centre of research; and for the Barents Sea, had adopted an integrated management plan that involved comprehensive planning and managing of human activities in order to minimize conflicts among users, with consideration of all factors affecting the conservation and sustainable use of marine resources. The plan was based on five principles: ecosystem-based management, sustainable development, the precautionary approach, conservation and duty to attain shared responsibility. Cooperation was undertaken through the Arctic Council and the joint Norwegian-Russian Environment Protection Commission. In balancing the need for certain scientific advice against the cost of starting remedial action too late, he believed that the balance should be tilted in favour of the precautionary approach.

85. Mr. Tim Adams (Director, Marine Resources Division, Secretariat of the Pacific Community) noted that the islands of the Pacific Community had a fundamental interest in the topic of vulnerable marine ecosystems, in view of their strong dependency on the oceans for economic reasons and for food security. He indicated that the most vulnerable marine ecosystems in the Pacific islands region were coral reefs; seagrass ecosystems, as critical habitats for several economically important as well as endangered species; mangroves, as habitats for communities of organisms and in view of their essential role for maintaining the current shoreline and balance of marine life; atoll lagoon ecosystems that supported black pearl farming, therefore critical to the economies of eastern Polynesia; large pelagic ecosystems lying within the exclusive economic zones (EEZs) that supported the economically important tuna fisheries; and the high seas components of the pelagic ecosystems, which were expected to be regulated by the new Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean. The key threats to these ecosystems arose from their proximity to large human concentrations, in the case of coral reefs, mangroves and seagrass, or to their remoteness from effective governance, in the case of high-seas vulnerable marine ecosystems. These human-induced threats included physical damage, eutrophication, introduction of invasive species and impacts of international tourism. Other threats were water quality and disease problems in the sector of black pearl culture, when the atoll lagoon ecosystems were not rigorously managed.

86. However, he believed that management approaches might vary by ecosystem and could include the protection of specific vulnerable marine ecosystems. The goal was the integrated social and ecosystem-based management of the various natural-

resource exploitation systems, using existing management measures, while taking as many other ecosystem components into account as possible. He also stressed the importance of regional and global coordination to assist in the protection of vulnerable marine ecosystems that were threatened by commercial activities or that fell outside, or across, the jurisdiction of States in the region.

87. Mr. Matthew Gianni (Consultant, World Conservation Union) drew the attention of the meeting to the serious and increasing risk to marine biodiversity in areas beyond national jurisdiction, with particular emphasis on seamounts, noting their productivity and high endemism. He discussed the particularly destructive impacts of bottom-trawl fishing, and pointed out that fishing activities around seamounts were being conducted in an unsustainable manner in contravention of the relevant provisions of UNCLOS and the United Nations Fish Stocks Agreement. Such activities were also contrary to the objectives of the FAO Code of Conduct for Responsible Fisheries and its International Plan of Action to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing (IUU fishing), as well as the goals of the Plan of Action of WSSD. He urged the international community to improve the management of risks to the marine biodiversity of seamounts on the basis of scientific evidence and in conformity with international law. He stated that the absence of adequate scientific information should not be used as a reason for postponing or failing to take conservation and management measures, suggesting that: (i) regional fishery management organizations should put immediately in place effective measures to manage seamount fisheries within their areas of competence and enforce such measures using all means at their disposal; (ii) regional organizations should impose a moratorium on seamount fishing within their areas of competence until such effective measures were in place; and (iii) efforts should be expedited to establish management agreements, mechanisms and measures in high sea areas outside the competence of regional fishery bodies, where unregulated fishing on seamounts took place; and (iv) imposition of a moratorium on seamount fishing until such measures were in place. He also proposed that the General Assembly should play a leading role in addressing the question of the conservation of marine biodiversity of seamounts, as it had in resolutions 44/225, 45/197 and 46/215, which had been instrumental in the imposition of a global moratorium on large-scale pelagic drift-net fishing on the high seas.

Discussion

88. Many delegations underscored the need to protect vulnerable marine ecosystems and called for all stakeholders to raise awareness of such vulnerability. They indicated that many of these ecosystems were known to be rich in biodiversity and endemic species and play an important role in global food webs. They pointed out that these maritime areas were extremely sensitive to anthropogenic impacts and had undergone enormous degradation, either as a result of human activities or because of natural phenomena or the combination of these two elements. Several delegations stated that among human activities, fishing activities had the biggest impacts on marine ecosystems, since many fishing operations were still conducted in an unsustainable manner, with adverse impacts not only on target stocks but also on dependent and associated species. Other delegations reported on the respective efforts of their Governments to protect vulnerable marine ecosystems in areas under national jurisdiction, including elaboration of laws and regulations and adoption of management policies tailored towards the protection of these ecosystems.

89. With specific reference to the presentation on destructive fishing practices and their impacts on overall fisheries, several delegations stated that overcapacity, overfishing and IUU fishing, as well as excessive by-catch, were at the root of the current situation of the world's fisheries. They believed that strengthening FAO and regional fishery bodies' activities, including enforcement of conservation and management measures and implementation of flag State responsibilities, would contribute to an improvement of global fisheries management. One delegation noted that depletion of global fish stocks had been caused by current levels of fish product consumption that had similarly affected food security in developing countries.

90. In addition, several delegations stressed the fact that besides fishing activities, a number of other marine activities, including land-based sources of pollution, transportation of oil and toxic and hazardous materials, which had generated pollution in the marine environment, were equally detrimental to vulnerable marine ecosystems. They indicated that spills and groundings of vessels had occurred and have had negative impacts on marine ecosystems and fish habitats. They drew attention also to the accidental introduction of non-native species, which had become a major threat to the marine environment, indicating that all those pressures would result in the destruction and loss of vulnerable marine habitats and associated populations of species. Reference was also made to the adverse effects of tourism.

91. Moreover, a number of delegations indicated that, since there was still insufficient knowledge of the functioning of marine ecosystems, priority should be given to the study of the status of vulnerable marine ecosystems, as well as the study of the patterns and causes of their transformation, in order to allow the formulation of criteria for sustainable management approaches. They were also of the view that in order to understand the nature of the threats to vulnerable marine ecosystems it was critical for the international community to continue to support both marine scientific research and monitoring and reporting mechanisms, such as the initiative for the global reporting and assessment of the marine environment (global marine assessment).

92. Other delegations stressed the need for the international community to mainstream the conservation of vulnerable marine ecosystems into national and multilateral strategies and programmes with the involvement of all stakeholders and emphasized the contribution of such initiatives to wider sustainable development and sustainable livelihoods. These delegations pointed out that, although marine scientific research was essential for a diagnosis of the problems facing vulnerable marine ecosystems, consideration of the interrelationship between inland waters, coastal areas and marine ecosystems, including their ecological, social and economic components, was an equally crucial task. They added that improved conservation of vulnerable marine ecosystems would make a significant contribution to implementing the oceans commitments of WSSD, which specifically called for the maintenance of the productivity and biodiversity of important and vulnerable marine and coastal areas within and beyond national jurisdiction. In this connection, they emphasized the importance of capacity-building for developing countries, including financial and technical assistance and the transfer of marine technology on fair and reasonable terms and conditions, in order to further their domestic efforts to protect vulnerable marine ecosystems.

(a) Coral reef ecosystems

93. A number of delegations stated that coral reefs were one of the most important marine ecosystems in many tropical regions of the world's oceans and seas, and constituted a clear example of a vulnerable marine ecosystem, the conservation of which was essential to sustainable marine development and sustainable livelihoods. They indicated that coral reefs covered less than 1 per cent of the ocean floor, but were the richest ecosystem in the marine environment. Often referred to as the "rainforests of the sea", coral reefs provided income and food for many communities around the world and were a major focus for tourism and recreation. In addition, they protected coastal areas against erosion and sea-level rise, recycled nutrients and offered an increasing source for medical research and biotechnology. Those delegations noted, however, that coral reef ecosystems were being degraded around the world at an alarming rate, and the benefits and opportunities associated with them were now vulnerable to a range of competing pressures. Other delegations recognized the important role of the International Coral Reef Initiative (ICRI), as well as the work carried out in this field under the Jakarta Mandate of the Convention on Biological Diversity (CBD). Appreciation for the work of the Global Coral Reef Monitoring Network (GCRMN) was also expressed. In this connection, the representative of the World Bank made specific reference to a new initiative of the World Bank and the Global Environmental Facility (GEF), in partnership with IOC and others, that was aimed at creating networks of scientists from both developing and developed countries to carry out research in the field of coral reef ecosystems' vulnerability and resilience to stress from climate change.

94. In addition, some delegations drew attention to cold water coral reefs in the North-East Atlantic as an example of vulnerable marine ecosystems. They pointed out that these ecosystems, although poorly understood, were particularly rich in biological diversity, were of major importance to fisheries, and valuable for their genetic resources. These delegations also indicated that some coral reefs under national jurisdiction had been given protection against fishing practices, including prohibition of the use of certain fishing techniques, such as bottom trawling. They proposed that the international environmental agenda, including ICRI, consider ways and means of protecting such ecosystems in the future.

(b) Arctic marine ecosystems

95. A number of delegations referred to the particular importance of the Arctic marine environment, in view of its rich natural resources, unique socio-cultural aspects, economic potential and integral role in climatic processes, and of the mounting evidence that global climatic change and developmental pressures on the marine environment caused by shipping, dumping, offshore oil, gas development and land-based activities were increasing in the Arctic region.

96. Delegations reported also on the monitoring and assessment of pollution in the Arctic region carried out under the auspices of the Arctic Council. As a result of the assessment of activities posing transboundary threats to the Arctic region, the Arctic Council's Working Group dealing with emergency prevention, preparedness and response (EPPR) had concluded that the transportation and storage of oil carried risks for the Arctic environment. Moreover, the Arctic Monitoring and Assessment Programme (AMAP), which monitored pollution risks and their impacts on Arctic

ecosystems and which had issued major reports on arctic pollution, had also revealed serious pollution risks to Arctic marine ecosystems.

97. Several delegations indicated that incidences of unregulated fishing beyond national jurisdiction, persistent organic pollutants (POPs) and heavy metals, seabed activities, shipping activities and dumping, as well as effects of climate change, posed a real and continuing danger to Arctic marine ecosystems.

(c) Vulnerable marine ecosystems beyond national jurisdiction: seamounts and hydrothermal vents

98. A number of delegations underlined the importance of addressing the protection of vulnerable ecosystems and biodiversity beyond national jurisdiction, as already recommended under the Johannesburg Plan of Implementation and General Assembly resolution 57/141. The report on the subject submitted to the meeting by the delegation of the Netherlands (A/AC.259/8) was identified by several delegations as an interesting analysis of the issue. The idea of establishing a new regime to identify and protect ecosystems beyond national jurisdiction, building on the framework provided by UNCLOS, was raised. Other delegations believed that effective implementation of existing regimes was sufficient. A number of delegations supported the idea that the machinery of the Convention on Biological Diversity should be requested to continue its examination of possible legal options to address the protection of biodiversity in areas beyond national jurisdiction, in cooperation and coordination with other relevant and competent organizations.

99. Several delegations proposed the need to protect vulnerable marine ecosystems in areas beyond national jurisdiction as a whole, rather than the protection of individual components of these ecosystems. These included, inter alia, seamounts, hydrothermal vents, deep-sea trenches, deep-sea coral reefs, cold seeps and pockmarks. They also indicated that there was currently no single treaty that could be used to identify and protect all vulnerable ecosystems beyond national jurisdiction in an integrated manner. On the other hand, other delegations pointed out the need to identify and give priority to those ecosystems that would require urgent protection.

100. Many delegations identified unsustainable fishing activities among the major threats that affected high-seas marine ecosystems. Vessel-sourced pollution, seabed activities, including exploration and exploitation of non-living resources, such as oil and gas, and dumping at sea also had adverse impacts on such ecosystems. In addition, some marine scientific research, bioprospecting and the effects of organic pollutants, such as persistent organic pollutants (POPs) and endocrine-disrupting chemicals (EDCs), were considered to be potential threats to vulnerable ecosystems beyond national jurisdiction.

(d) Legal and policy framework for protecting vulnerable marine ecosystems

101. Many delegations identified UNCLOS as the global legal framework that provided for the protection of vulnerable marine ecosystems and biodiversity, both within and outside national jurisdiction, in particular, articles 192 and 194 (5), as well as Section II of Part VII. Other instruments relevant in this context included the FAO Code of Conduct for Responsible Fisheries and its related international plans of action, the United Nations Fish Stocks Agreement, the Convention on Biological Diversity, the Jakarta Mandate, the FAO Compliance Agreement, Chapter 17 of

Agenda 21, the Johannesburg Plan of Implementation and the Global Plan of Action for the Protection of the Marine Environment from Land-based Activities. Relevant bodies identified were: International Coral Reef Initiative (ICRI), FAO Commission on Genetic Resources for Food and Agriculture, the International Waters Programme of the Global Environment Facility (GEF). The work of IMO, the International Seabed Authority (ISA) and FAO and regional fishery bodies in this area were also considered to be particularly relevant.

102. At the regional level, several delegations praised a number of initiatives and programmes carried out in the context of the regional seas conventions and action plans. Examples of regional agreements and institutions aiming at enhancing protection of vulnerable marine ecosystems included: the Convention for the Protection of the Marine Environment and the Coastal Area of the South-East Pacific and its Plan of Action; The Convention for the Protection and Development of the Marine Environment of the Wider Caribbean Region and its Protocol Concerning Specially Protected Areas and Wildlife; the Convention on the Protection of the Marine Environment of the Baltic Sea Area; the Arctic Council; and the Convention for the Protection of the Marine Environment of the North-East Atlantic.

(e) Management tools for the protection of vulnerable marine ecosystems

(i) Implementation of an integrated marine and coastal area management (IMCAM)

103. A number of delegations referred to integrated marine and coastal area management (IMCAM) as an effective management approach for protecting vulnerable marine ecosystems. They indicated that such an integrated approach, based on the development of ecosystem objectives, would bring together diverse groups to develop the means to effectively plan and manage human activities occurring in, or affecting, the marine environment. They pointed out that this approach was intended to encompass a range of different tools to be applied in a variety of different situations, including the establishment of marine protected areas (MPAs). Several delegations expressed support for the pilot programme of the White Water to Blue Water Initiative in the Wider Caribbean Region, which was designed to promote cross-sectoral management of watersheds and marine ecosystems.

(ii) Establishment of marine protected areas (MPAs)

104. Many delegations expressed support for the establishment of marine protected areas as a management tool for integrated ocean management in areas within and beyond national jurisdiction. A number reported on the management of such protected areas in areas under their national jurisdiction. Some delegations expressed preference for a zonal approach in the management of such areas. One delegation drew attention to the establishment of a marine protected area on the high seas areas in the Mediterranean Sea, in accordance with article 194 of UNCLOS. Another delegation expressed concern over the possible loss of revenues from access agreements by developing countries in the event of establishment of such protected areas in areas under national jurisdiction. With regard to the establishment of MPAs on the high seas, some delegations stressed that such protected areas had to be: (i) based on scientific evidence; (ii) enforceable; (iii) specific for each marine area and objective; (iv) consistent with the ecosystem approach; and (v) in conformity with international law. One delegation proposed that the issue of marine

protected areas be recommended to the General Assembly for future consideration at the Consultative Process.

(iii) Application of the ecosystem approach

105. Many delegations reiterated their support for the application of an ecosystem-based approach as a management tool to protect vulnerable marine ecosystems and their biological components. In this context, they welcomed the work undertaken under the Convention on Biological Diversity and within FAO, as well as other relevant international organizations, to develop strategies and guidelines for its implementation.

(iv) Application of the precautionary approach

106. Several delegations made reference to the importance of the application of the precautionary approach, as provided for in the Rio Principles, the FAO Code of Conduct for Responsible Fisheries and the United Nations Fish Stocks Agreement. They stated that the absence of adequate scientific information should not be used as a reason for postponing or failing to take conservation and management measures. They also emphasized that the concept of the precautionary approach should particularly be applied in respect of the establishment of marine protected areas.

Agenda item 4
Exchange of views on cooperation and coordination on ocean issues

A. Establishment of a new coordination mechanism

107. Mr. Patrizio M. Civili, Assistant Secretary-General for Policy Coordination and Inter-Agency Affairs of the Department of Economic and Social Affairs (DESA) and Secretary of the Chief Executives Board (CEB), was represented at the fourth meeting of the Consultative Process by Mr. Navid Hanif, Senior Policy Officer, Office of the Under-Secretary-General, DESA.

108. Mr. Hanif presented a paper on the current status of deliberations within the High-Level Committee on Programmes (HLCP) regarding the establishment of a new mechanism for inter-agency cooperation and coordination on oceans and the law of the sea to replace the former Administrative Committee on Coordination (ACC) Subcommittee on Oceans and Coastal Areas (SOCA).

109. At the request of the Chief Executives Board (CEB), the High-Level Committee on Programmes (HLCP) was in the process of elaborating proposals on inter-agency cooperation for the follow-up to the World Summit on Sustainable Development. The HLCP deliberations were guided by the Johannesburg Plan of Implementation and by General Assembly resolution 57/141, which invited the Secretary-General to establish an effective, transparent and regular inter-agency coordination mechanism on ocean and coastal issues within the United Nations system.

110. With respect to oceans and coastal areas, the High-Level Committee had identified three core functions, namely, (a) regular networking at the level of experts for the day-to-day coordination of ongoing operational and other activities and the

management of joint projects; (b) the development of system-wide responses to emerging issues, as identified by the relevant intergovernmental bodies and/or agencies/programmes, through arrangements tailored to the specific requirements of each issue; and (c) monitoring overall coverage and strategic coherence, which is ultimately the responsibility of the CEB, with the support of the High-Level Committee.

111. At the CEB April 2003 session, the executive heads had generally agreed with the overall approaches developed by the High-Level Committee on Programmes (HLCP). Further elaboration of the HLCP proposals was under way and its recommendations would probably be finalized by September 2003 and submitted to the fall session of the Board. Once the recommendations have been approved by the CEB, they will be made available to Member States.

112. In this connection, the Secretary-General of the International Seabed Authority (ISA) enquired how the proposed coordination mechanism differed from previous ones and whether other organizations outside the United Nations had been consulted. In reply, Mr. Hanif stated that United Nations agencies and other organizations would be consulted prior to finalizing the recommendations.

113. The Executive Secretary of the Intergovernmental Oceanographic Commission (IOC) of UNESCO stated that a number of agencies of the former Administrative Committee on Coordination (ACC) Subcommittee on Oceans and Coastal Areas (SOCA) were of the opinion that in coordinating oceans issues it would be useful to have a two-tier approach. First, an open-ended group of representatives (at the Director level) of programmes and relevant agencies should meet regularly, at least once a year, to review ongoing and identify new joint activities by two or more agencies. The timing of such a meeting could be back-to-back with the Consultative Process or preceding it. Secondly, specific time-bound initiatives with well-defined terms of reference should be led and implemented by task-oriented groups. Appropriate modalities for the involvement of organizations outside the United Nations system could be introduced at this level. A good example of this second type of task-oriented group would be a task force dedicated to the coordination of the Global Marine Assessment (GMA).

114. Most delegations supported the idea of establishing a new mechanism for coordination and cooperation and emphasized that such a mechanism should be permanent, meet on a regular basis, be accountable to Member States and be composed of all relevant organizations, including the secretariats of multilateral environmental treaties, ISA, IHO, UNDP, GEF, as well as DOALOS of the United Nations Secretariat. However, one delegation opposed proposing the establishment of such a mechanism and preferred instead to rely on cooperation and coordination between States at the national level.

115. The view was also expressed that the new coordination mechanism should have a clear mandate and be established on the basis of principles of continuity, regularity and accountability. The new mechanism should be able to work at two levels: (i) through regular reviews of issues relating to oceans and seas involving several core participating institutions, and reviews of their mandates in order to eliminate gaps, inconsistencies and unnecessary overlaps; and (ii) through the establishment of specific task forces, as needed, to carry out task-oriented activities. Coordination only for ad hoc issues was deemed to be insufficient.

116. As regards the former ACC Subcommittee on Oceans and Coastal Affairs (SOCA), it was mentioned that it would have been more prudent to have maintained SOCA in existence until its replacement by a new coordination mechanism. It was also regretted that a new coordination mechanism had yet to be established and that HLCP was still involved in consultations with United Nations bodies on the matter.

117. One delegation mentioned that in many respects the challenges facing coordination in the United Nations were not unlike those — in scale and scope — that face public administrations at the national level. It was suggested that the goal should be collaboration, coordination and cooperation in a transparent, effective, accountable and responsive manner through, for example, memoranda of understanding that would focus on collaborative efforts in areas of shared interests.

118. It was also suggested to keep the general item of cooperation and coordination for future Consultative Process meetings and build the issue more formally into panel discussions on specific oceans topics, thus promoting improved agency collaboration. In this connection, a suggestion was made to propose to the General Assembly that responsible agencies report back, as part of the agenda item on cooperation and coordination, the extent of their joint follow-up/coordination since the last Consultative Process meeting. This would reinforce the call by a number of delegations for monitoring and follow-up and would add continuity to a small portion of the agendas of and reports to the General Assembly. Another proposal was that the principal agencies involved in upcoming panel topics develop a joint paper to be presented as a first item for panels, which would be focused on the extent and type of inter-agency coordination on the subject areas, to complement the Secretary-General's report on oceans and the law of the sea, which should continue to be developed and distributed in advance of Consultative Process meetings.

119. It was generally agreed that coordination and cooperation were essential in order to ensure a truly integrated approach to oceans management. But, several delegations were not convinced that it was preferable to use an existing structure within the United Nations, such as the Chief Executives Board, to achieve that purpose. In order to ensure that the new mechanism would be effective and task-oriented, it should ensure a true dialogue between relevant bodies and be guided by policy directions contained in General Assembly resolutions on oceans and the law of the sea and fisheries. The new mechanism should also seek to enable improved coordination between international institutions and agencies and regional organizations, including those related to fisheries management, marine science and monitoring, development finance, navigation and the protection of the marine environment. The new mechanism should be accountable to Member States and provide a coordinated report to the Consultative Process meetings, with a representative being present at such meetings to provide further information and reply to questions. The new mechanism should also operate within existing budgetary constraints. Some of the issues that the new mechanism should take up immediately, it was suggested, were high-seas biodiversity conservation, IUU fishing, introduced marine pests and coral reef management.

120. One delegation, however, did not consider it appropriate to reopen the issue at this meeting, noting the matter was symptomatic of a lack of coordination and cooperation within national agencies.

121. Finally, as regards the Co-Chairs' summary of discussions, many delegations were in favour of recommending that the General Assembly take into account the

views of delegations at the fourth meeting, as reflected in the Co-Chairpersons' summary of discussions regarding the establishment of a general mechanism for cooperation and coordination. However, one delegation, with the support of another, did not share that view, maintaining that reference to informal discussions could not be made in recommendations to the General Assembly.

B. Consultative Group on Flag State Implementation

122. As regards flag State implementation, the Secretary of the Consultative Process explained that a consultative group had been established to exchange information on research conducted and views on measures that had been already undertaken. The Division for Ocean Affairs and the Law of the Sea (DOALOS) of the United Nations Office of Legal Affairs had formed the Consultative Group on Flag State Implementation as a result of a letter sent by several non-governmental organizations to the United Nations Secretary-General. Consequently, terms of reference had been drawn up and the following agencies, conference and programmes had been invited to become members of the Group: FAO, IMO, ILO, UNEP, the United Nations Conference on Trade and Development (UNCTAD) and the Organisation for Economic Cooperation and Development (OECD).

123. The Consultative Group had held its first meeting at OECD headquarters in Paris on 7 May 2003. The discussions had focused on the competence between the organizations in attendance, as well as the common issue of flag State implementation. The organizations were to exchange papers by August 2003 on initiatives and measures taken thus far and to be taken in the future, and thereafter a preliminary report would be issued by DOALOS to the participants to be followed by a final report to be submitted to the Secretary-General.

C. Global Marine Assessment (GMA)

124. With regard to the Global Marine Assessment (GMA), one delegation stated that the aim of the regular assessment process was to strengthen international action to protect the oceans from impacts of land-based pollution and other human-induced threats causing marine pollution or physical degradation of the marine environment. Policy makers need to be provided with accessible and authoritative information on the state of the marine environment in order to address the most urgent issues. Moreover, it was recalled that existing information was fragmented and lacked coherence and comparability and did not provide the necessary policy guidance. The success of the GMA should lead to a better harmonization of ongoing marine assessments, minimize duplication of efforts and guarantee a better use of resources within the United Nations system.

125. It was also suggested that the GMA process should be designed to take place in two phases: one drawing together the scientific information and providing a synthesis based upon ongoing assessments to be undertaken by a scientific panel; the other, consisting of a dialogue involving scientists, policy makers and other stakeholders to develop the policy response to the scientific evidence, which was to take place at an appropriate forum.

126. DOALOS was requested, in drawing up its report on the GMA, which should be made available well in advance of the oceans and law of the sea debate in the General Assembly in 2003, to work closely with all relevant United Nations bodies identified in General Assembly resolution 57/141 and take into account the work

already done on the GMA concept by the expert meetings in Reykjavik in 2001 and in Bremen in 2002, as well as the review of the Joint Group of Experts on the Scientific Aspects of Marine Environmental Protection (GESAMP) in 2002.

127. Another delegation suggested that DOALOS should convene an inter-agency meeting to define the participation and contributions of the organizations involved and proposed that a web-based portal of GMA-related initiatives should be created. In addition, support was expressed for DOALOS to convene a group of experts to prepare a plan for the GMA to be considered by an intergovernmental meeting to be held in 2004.

128. Another suggestion expressed was that one aspect of the GMA might be the construction of a super-portal, which would be superimposed on existing resources, such as the United Nations Atlas of the Oceans, the Ocean Biogeographic Information System, the Census of Marine Life, as well as other databases on the oceans. By working with existing web-based products, the need to form new institutional structures would be minimized.

129. As for the outcomes of a GMA feasibility study, UNEP recommended that the GMA should be based on a partnership approach, where all agencies contribute to the GMA within their mandates, thus making the GMA a tool for action with both policy and science dimensions. To this end, the scientific community should be widely consulted. It was stressed that integrating capacity-building for developing countries in all phases of the assessment process was of paramount importance.

Agenda item 5
Identification by the Co-Chairpersons of issues that could benefit from future work of the General Assembly on oceans and the law of the sea

130. Mr. Burgess, Co-Chairperson, recalled the report of the third meeting (2002) on issues for future consideration (A/57/80, Part C). Delegations took due note of the list of issues contained therein. The Co-Chairpersons' summary of the conclusions based on those comments is set out in Part C of the present report.

Part C
Issues that could benefit from attention in future work of the General Assembly on oceans and the law of the sea

131. There was agreement that the following list, being the topics identified for future consideration at the three previous meetings of the Consultative Process, remained valid as a list of topics meriting attention from the General Assembly:

(a) Marine protected areas;

(b) Review of the national, regional and global implementation of Part XII of the United Nations Convention on the Law of the Sea;

(c) Potential and new uses of the oceans;

(d) Development and transfer of marine technology;

(e) Oceans stewardship/ecosystem-based integrated management of the marine environment;

(f) Food security and mariculture;

(g) Cooperation and coordination between regional fisheries organizations and regional seas conventions and action plans of the United Nations Environment Programme;

(h) Impact of the activities in the international seabed area as a source of contamination of the marine environment;

(i) Effect of fishery subsidies on the conservation of marine living resources;

(j) Marine debris;

(k) Convergence of the legal and programmatic dimensions of international cooperation;

(l) Navigation in ecologically sensitive areas;

(m) Protection of coastal areas from the introduction of non-native species;

(n) Possibility of reviewing progress on issues discussed at meetings of the Consultative Process;

(o) The science underlying the identification and management of marine protected areas;

(p) Implementation of existing international instruments;

(q) Competing uses of the continental shelf, including mariculture, the laying of cables and pipelines, and exploitation of non-living marine resources;

(r) Protecting the biological diversity of the seabed;

(s) Capacity-building for the collection of marine geographic data.

132. Further topics suggested for identification were:

(a) Enhancement of the prevention and prosecution of crimes at sea;

(b) Review of the effectiveness of the exclusive economic zone in ensuring the conservation and management of living resources;

(c) Harmonization of treaty obligations relevant to oceans issues;

(d) Flag State responsibility and performance;

(e) The Global Marine Assessment (GMA);

(f) Examination of progress in the implementation of the oceans chapter of WSSD;

(g) Settlement of disputes: to encourage the use of the International Tribunal for the Law of the Sea and the International Court of Justice;

(h) Human rights of seafarers;

(i) Transport of illegal weapons by sea;

(j) Access to and protection of the genetic resources of the oceans; and

(k) Liability and compensation for damage to the marine environment; and responsibility of States.

133. Two delegations did not support the inclusion of marine and coastal issues related to WSSD.

United Nations A/58/96

General Assembly

Distr.: General
24 June 2003

Original: English

Fifty-eighth session
Item 12 of the preliminary list*
Report of the Economic and Social Council

Assessment of the results achieved in realizing aims and objectives of the International Year of Ecotourism

Note by the Secretary-General

The Secretary-General hereby transmits to the members of the General Assembly a report prepared by the Secretary-General of the World Tourism Organization in accordance with Economic and Social Council resolution 1998/40 of 30 July 1998 and General Assembly resolution 53/200 of 15 December 1998.

Summary

The present report was prepared by the World Tourism Organization in response to Economic and Social Council resolution 1998/40 and General Assembly resolution 53/200. It outlines the activities undertaken by States Members and major international organizations in preparation for, and during the International Year of Ecotourism. The report presents, in its first part, all the activities carried out by the World Tourism Organization, the United Nations Environment Programme and other international organizations in preparation for and during the Year. In a second part, the report synthesizes the activities undertaken by Governments within the framework of the International Year of Ecotourism. The information is structured according to six main themes: national policy, activities and publications, stakeholders' participation and support, awareness, regulation and cooperation. The last part of the report provides detailed information on follow-up activities and outlines recommendations for further action.

* A/58/50/Rev.1 and Corr.1.

03-40623 (E) 210703

Contents

		Paragraphs	*Page*
I.	Introduction	1–5	3
II.	Activities undertaken by the World Tourism Organization, the United Nations Environment Programme and other international organizations	6–24	4
	A. World Tourism Organization recommendations	7–8	4
	B. Regional conferences	9–14	4
	C. World Ecotourism Summit	15–17	5
	D. Other activities	18–20	6
	E. Special publications for the International Year of Ecotourism	21	7
	F. World Tourism Organization web site	22	8
	G. World Tourism Organization events	23	8
	H. Global projects linked to the International Year of Ecotourism	24	9
III.	Activities undertaken by Governments	25–66	10
	A. National policy	29–36	10
	B. Activities and publications	37–44	12
	C. Stakeholders' participation and support	45–53	13
	D. Awareness	54–56	15
	E. Regulation	57–60	16
	F. Cooperation	61–67	17
IV.	Follow-up and recommendations	68–69	18
	A. World Tourism Organization follow-up activities	68	18
	B. United Nations Environment Programme follow-up activities	69	19

I. Introduction

1. The present report responds to the request made to the World Tourism Organization (WTO) by the General Assembly in its resolution 53/200 of 15 December 1998 and the Economic and Social Council in its resolution 1998/40. It concerns:

(a) Programmes and activities undertaken by Governments and interested organizations during the International Year of Ecotourism;

(b) An assessment of the results achieved in realizing the aims and objectives of the Year, particularly in terms of encouraging ecotourism in developing countries;

(c) Recommendations to further advance the promotion of ecotourism within the framework of sustainable development.

Background of the International Year of Ecotourism

2. The General Assembly, by its resolution 53/200, proclaimed the year 2002 as the International Year of Ecotourism. At its seventh session, held in New York in April 1999, the Commission on Sustainable Development gave a mandate to WTO and the United Nations Environment Programme (UNEP) to assume responsibility for the International Year of Ecotourism and adopted a resolution inviting Governments, the United Nations and non-governmental organizations to organize activities in preparation for the Year.

3. The text proclaiming 2002 as the International Year of Ecotourism referred specifically to Agenda 21, adopted at the United Nations Conference on Environment and Development, held in Rio de Janeiro, Brazil, in 1992. All States were invited to contribute to the Year through discussion papers and their own activities, in order to arrive at a comprehensive understanding of ecotourism as a contribution to sustainable development, and in particular for the less developed countries.

4. In the preparation of and during the International Year, WTO and UNEP aimed at involving all the actors in the field of ecotourism, with the following four objectives in mind:

(a) Generate greater awareness among public authorities, the private sector, the civil society and consumers regarding ecotourism's capacity to contribute to the conservation of the natural and cultural heritage in natural and rural areas, and the improvement of standards of living in those areas;

(b) Disseminate methods and techniques for the planning, management, regulation and monitoring of ecotourism to guarantee its long-term sustainability;

(c) Promote exchanges of successful experiences in the field of ecotourism;

(d) Increase opportunities for the efficient marketing and promotion of ecotourism destinations and products on international markets.

5. The official launching ceremony of the International Year of Ecotourism 2002 was held at United Nations Headquarters on 28 January 2002. The event was attended by the United Nations Deputy Secretary-General, Louise Fréchette, the WTO Secretary-General, Francesco Frangialli, the UNEP Executive Director, Klaus

Töpfer, the Seychelles Minister of Tourism and Transport, Simone de Comarmond, who chaired the session, the Mexican Minister of Tourism, Leticia Navarro, and the then President of The International Ecotourism Society, Megan Epler Wood. It also involved the participation of several Government ministers, representatives of intergovernmental organizations, members of the diplomatic corps accredited to the United Nations, and representatives of leading industry associations and non-governmental groups.

II. Activities undertaken by the World Tourism Organization, the United Nations Environment Programme and other international organizations

6. The World Tourism Organization undertook various activities in preparation for and during the International Year of Ecotourism at different levels, as follows:

A. World Tourism Organization recommendations

7. In line with the first three objectives (see para. 4), WTO recommended to its 139 member States, in September 2000, that they undertake activities at the national and local levels, such as:

(a) Define, strengthen and disseminate as appropriate, a national strategy and specific programmes for the sustainable development and management of ecotourism;

(b) Provide technical, financial and promotional support for and facilitate the creation and operation of small and medium-sized firms;

(c) Set up compulsory and/or voluntary regulations regarding ecotourism activities, particularly as they refer to environmental and sociocultural sustainability;

(d) Establish national and/or local committees for the celebration of the Year, involving all the stakeholders relevant to this activity;

(e) Inform the WTO secretariat of the activities planned for 2002 requesting, if appropriate, whatever support they deemed necessary.

8. During 2001 and 2002, more than 50 member States sent information on their national activities, published on the WTO International Year of Ecotourism 2002 web site. Details on these activities are presented in section III of the present report.

B. Regional conferences

9. Ten regional WTO conferences were successfully organized between March 2001 and April 2002 for the exchange of experiences, examination of problems, promotion of cooperation nationally, regionally and internationally and identification of future challenges. The conferences were structured according to the same four themes as those for the World Ecotourism Summit, namely:

Theme 1: ecotourism planning and product development: the sustainability challenge;

Theme 2: monitoring and regulation of ecotourism: evaluating progress towards sustainability;

Theme 3: marketing and promotion of ecotourism: reaching sustainable consumers;

Theme 4: costs and benefits of ecotourism: a sustainable distribution among all stakeholders.

10. The preparatory meetings were held in Mozambique for Africa, in Brazil for the Americas, in Kazakhstan for Commonwealth of Independent States member countries, in Austria for Europe, in Greece for Mediterranean Europe, the Middle East and North Africa, in Seychelles for island destinations, in Algeria for countries with desert areas, in Maldives for the Asia-Pacific region, in Moscow for Russia and neighbouring countries and in Fiji for the South Pacific islands.

11. In total, over 3,000 stakeholders, representing public sector tourism and environmental authorities, non-governmental organizations, ecotourism businesses, academic institutions and independent experts, participated in these preparatory meetings, at which some 200 case studies were presented.

12. WTO also organized, jointly with UNEP, a web Conference on Sustainable Development of Ecotourism during April 2002, in which nearly 1,000 people from 88 countries participated. The prime objective of the conference was to provide easy access for a wide range of stakeholders involved in ecotourism to exchange experiences and voice comments, especially for those who had not been able to attend the regional preparatory conferences that had taken place previously.

13. In order to contribute to the preparation of the World Ecotourism Summit, UNEP organized or participated in preparatory events involving over 3,000 stakeholders. These meetings were held in India for non-governmental organizations and grass-roots organizations (with Ecological Tourism in Europe), in Belize for Central America (with The International Ecotourism Society (TIES)), in Seychelles for small island developing States and other small islands (with WTO), in India for South Asia (with TIES), in Peru for South America (with TIES), in Thailand for South-East Asia (with TIES), in Kenya for East Africa (with TIES), in Sweden for the Arctic Circle (with TIES) and in Austria for Europe (with WTO).

14. The experience and results gained from all these regional meetings and the web conference were used as a basis for discussions at the World Ecotourism Summit held in Québec, Canada, in 2002. (All final reports and conclusions of these conferences and seminars are available on the International Year of Ecotourism web page: http://www.world-tourism.org/sustainable/IYE/RegionalEcotourismConferencesSeminars.htm.)

C. World Ecotourism Summit

15. The Summit was the principal event marking 2002 as the International Year of Ecotourism and the culmination of a one-and-a-half-year preparatory process. An initiative of WTO and UNEP, the Summit was hosted by Tourisme Québec and the Canadian Tourism Commission.

16. It was held in Québec City, Canada, from 19 to 22 May 2002, with the participation of 1,169 delegates from 132 different countries, representing public, private, non-governmental organization, academic and research institutions, intergovernmental, national and international development and aid agencies, as well as local and indigenous communities and individual experts. The participants included 30 ministers of State and senior officials from the United Nations Conference on Trade and Development, UNEP, UNDP, the International Labour Organization, the United Nations Educational, Scientific and Cultural Organization, WTO, the secretariat of the Convention on Biological Diversity, the Global Environment Facility, the Inter-American Development Bank and the European Union.

17. The main outcome of the Summit was the Québec Declaration on Ecotourism, a document that was prepared through wide consultation at the Summit and which contains general guidelines, as well as stakeholder-specific recommendations for the sustainable development of ecotourism. The final version of the Québec Declaration and a comprehensive final report, including the summaries of the regional, thematic and stakeholder-specific sessions of the Summit, is available in print (A/57/343, annex) and also on the Internet (www.ecotourism2002.org). These publications were submitted to the World Summit on Sustainable Development, held in Johannesburg, as official documents. More than 10,000 copies of the Québec Declaration have thus far been distributed at numerous events, including the Johannesburg Summit.

D. Other activities

18. In line with the fourth objective of the Year, WTO participated in various fairs and published a set of market studies on ecotourism.

1. Ecotourism activities at tourism and trade fairs

19. In addition to all the preparatory conferences and seminars and the World Ecotourism Summit, WTO participated in special ecotourism activities or workshops at various tourism and trade fairs, as follows:

- Reisepavillon (Hanover, Germany, January 2002). WTO, jointly with the German Technical Cooperation Agency (GTZ) convened the Forum International with the participation of public authorities, ecotourism companies and experts. WTO and GTZ subsidized the participation of more than 50 small suppliers of ecotourism products and services from 20 developing countries.
- Feria Internacional del Turismo (FITUR) (Madrid, February 2002). WTO organized a special session on ecotourism for Latin American member States. Since its beginning, FITUR has represented a meeting place for public and private organizations of Latin American countries. Ecotourism development and management is a key factor in assuring the sustainable development of tourism in Latin America, and the region is a major supplier of ecotourism products and destinations for the European outbound ecotourism market. The special relevance of the meeting was also confirmed by the high number of tourism professionals (approximately 200) who participated in it.
- International Adventure Travel and Outdoor Sports Exhibition (Chicago, Illinois, United States of America, February 2002). The exhibition is a

specialized tourism event that attracts professionals and public interested in the adventure travel, ecotourism, outdoor sports and other related tourism activities. WTO supported the event, participated as exhibitor and delivered a presentation at a parallel ecotourism conference.

- International Tourism Exchange (ITB) (Berlin, March 2002). In connection with the International Year of Ecotourism 2002, ITB included a special "Sustainable Travel Exchange — Travel with Sense" exhibition, in which WTO participated. It featured a wide range of initiatives and tourism attractions that emphasize environmental and social sustainability. Visitors found initiatives by international tour operators and smaller suppliers, as well as model tourism products from over 50 countries.

- EXPO-ECOTURISMO 2002, Ecotourism Exhibition and Trade Show (10-11 September 2002, Caracas). WTO supported the event, participated as an exhibitor and delivered a presentation on the results of the World Ecotourism Summit.

2. Ecotourism Market Study Series

20. In order to evaluate the trends and size that characterize the main ecotourism generating markets, WTO published seven pioneer country reports on Canada, France, Germany, Italy, Spain, United Kingdom and United States markets. Since it is a comparative study, in each country a common definition of ecotourism and a similar methodology have been used.

E. Special publications for the International Year of Ecotourism

1. World Tourism Organization publications

21. In order to contribute to the dissemination of good practices worldwide and of existing recommendations related to ecotourism, WTO prepared or contributed to the following special publications for the International Year:

- *Compilation of Good Practices in the Sustainable Development of Ecotourism*. The publication comprises 55 case studies from 39 countries, presented in a systematic form, drawing lessons that can be applied at other destinations. It is the second volume within the series of Good Practices published in the area of sustainable development of tourism. The sustainability aspects are further detailed according to specific elements of ecotourism such as conservation, community involvement, interpretation and education, as well as environmental management practices.

- *Guidelines for the Sustainable Development and Management of Tourism in National Parks and Protected Areas* (revised edition, jointly with UNEP and the World Conservation Union (IUCN)). The guidelines aim to build an understanding of protected area tourism and its management. They provide both a theoretical structure and practical guidelines for managers.

- *International Ecolodge Guidelines*. WTO sponsored and contributed to this publication by the International Ecotourism Society, which incorporates the latest research and techniques available, providing guidance from the day an idea is conceptualized to when the ecolodge is built and operating. The book is

an invaluable resource for anyone associated with ecolodges or other nature-based accommodations and facilities.

- *Final Report of the World Ecotourism Summit*. This publication contains the summaries of the preparatory conferences, the conclusions of all Summit sessions, the Québec Declaration on Ecotourism and other technical documents presented at the event.
- *Compilation of Good Practices in Small Ecotourism Businesses*. Published in 2003, this third volume within the WTO Good Practices series contains 64 case studies from 47 countries.

2. United Nations Environment Programme publications

- *The UNEP Manual for the International Year of Ecotourism*, containing orientation for parties interested in collaborating with the Year. The manual has been posted on the UNEP web site.
- A double issue of the *Industry and Environment Review* on Ecotourism, including articles presenting successful ecotourism experience from all parts of the world.
- A handbook *Ecotourism: Principles, Practices and Policies for Sustainability*, with basic background data and references for Governments and practitioners, jointly produced with the International Ecotourism Society.
- A CD-ROM, published jointly with WTO, distributed at the World Ecotourism Summit, with all preparatory conference reports, keynote addresses and 72 presentations from delegates.

F. World Tourism Organization web site

22. A special page was created on the WTO web site: http://www.world-tourism.org/sustainable/IYE-Main-Menu.htm. The page, which is regularly updated, contains all the material regarding the activities related to the International Year of Ecotourism.

G. World Tourism Organization events

23. WTO also supported several international, regional and national ecotourism events during 2001 and 2002, in which WTO representatives delivered technical presentations. In the national conferences that have been held since the Summit (in Sri Lanka, Bulgaria, Hungary, Spain, Venezuela, Romania, Brazil and Portugal), WTO has assisted Governments in adapting the Québec Declaration on Ecotourism to the particular conditions of each country, thus helping to implement the Summit's recommendations. In the following regional and international events, WTO promoted the application of the Year's results to specific ecotourism-related issues and programmes:

- ECOAQUA — International Conference on Ecotourism in Water Areas, held from 16 to 19 October 2002, at Mondariz-Balneario, Galicia, Spain

- 2002 Ecotourism Association of Australia International Conference (with UNEP), held from 21 to 25 October 2002, in Cairns, Tropical North Queensland, Australia. This was the closing event for UNEP activities. The Cairns Charter on Partnerships for Ecotourism seeks to support the establishment and operation of ecotourism partnerships
- Eighth Conference of the Contracting Parties to the Ramsar Convention on Wetlands, held from 18 to 26 November 2002, in Valencia, Spain
- International Adventure Travel and Outdoor Sports Show (IATOS) Conference on Ecotourism and Adventure Travel, held on 19 and 20 February 2003, Chicago, Illinois, United States
- Symposium on Natural Resource Conservation and Economic Development in the Congo Basin: The Role of Ecotourism, held on 21 February 2003, in Washington, D.C.
- Workshop on ecotourism development at the National Park and World Heritage Site of Ahaggar and Tassili, held on 10 and 11 March 2003, in Djanet, Algeria.

H. Global projects linked to the International Year of Ecotourism

24. Global projects related to the International Year include:

- The secretariat of the Convention on Biological Diversity, as part of its mandate within the international programme on sustainable tourism development under the Commission on Sustainable Development process, has developed a set of international guidelines on biodiversity and tourism development. The draft guidelines, together with a booklet containing their main features, were presented at the World Ecotourism Summit in May 2002. Thereafter, the guidelines have been tested through three case studies for their applicability and effectiveness. They will be transmitted for adoption, as well as to elicit recommendations for future work to be undertaken on this issue, to the seventh meeting of the Conference of the Parties, to be held in Kuala Lumpur in April 2004.
- The World Travel and Tourism Council has been engaged in various initiatives that are linked to ecotourism, such as the report on Corporate Social Leadership in Travel and Tourism and the Tourism Industry Report prepared for the World Summit on Sustainable Development, among others.
- The Ecotourism Databank (http://tourismdatabank.colorado.edu/), established by the Centre for Sustainable Tourism at the University of Colorado, supported by UNEP, WTO and the United States Forest Service, is a searchable online library on ecotourism, containing relevant documents and presentations on ecotourism.
- The Sustainable Tourism Stewardship Council, managed by the Rainforest Alliance through the support of the Ford Foundation, is proposing a global accreditation body for sustainable tourism and ecotourism certifiers. See http://www.rainforest-alliance.org/programs/sv/stsc-monthly-activities.html.
- The World Legacy Awards (http://www.wlaward.org/awards.htm) managed by Conservation International and the National Geographic Society.

- WWF International published, in July 2001, the *Guidelines for Community-based Ecotourism Development*. They are available online at: http://www.wwf.org.uk/filelibrary/pdf/community_based_ecotourism.pdf.

III. Activities undertaken by Governments

25. Before and during the International Year of Ecotourism, numerous countries organized special events, put in place new policies and developed intersectorial and international cooperation and many other activities.

26. The information for the following analysis was obtained through a specific worldwide survey conducted by WTO among national tourism authorities between January and May 2003, as well as from the communications of WTO member States reporting on ecotourism-related activities throughout the Year and the WTO Tourism Market Trends 2002 survey, which included a specific section on ecotourism aspects.

27. A total of 93 Governments informed the World Tourism Organization on the activities carried out by them during the International Year: 19 from Africa, 18 from the Americas, 12 from East Asia and the Pacific, 27 from Europe, 10 from the Middle East and 7 from South Asia. A list of responding countries can be found in the annex and summaries of country reports are available on the following web site: http://www.world-tourism.org/sustainable/iye/results.

28. The information received on national and local activities carried out in the framework of the International Year has been carefully examined and is summarized below according to the following themes: national policy; activities and publications; stakeholder participation and support; awareness; regulation; and cooperation.

A. National policy

1. International Year of Ecotourism national committees

29. Following the recommendations of WTO, 47 national and local tourism authorities established committees for the celebration of the Year, involving all the stakeholders relevant to this activity: 14 in Africa, 12 in the Americas, 4 in the Middle East, 5 in Europe, 6 in East Asia and the Pacific and 6 in South Asia (see annex).

30. Most of these committees include similar stakeholders at different levels, such as national tourism authorities, normally as initiator and president of the Committee; other ministries or government agencies, principally for culture and heritage, environment, foreign affairs, cooperation, economy, trade, development or the forest department, but also for communication, agriculture, decentralization, scientific research, biodiversity, meteorology, mines and geology, and sport; foundations or non-governmental organizations (environment, ecotourism, development, cooperation); private sector: tour operators, travel agents, hotel owners and their trade associations; local or regional authorities (mainly tourism officials); tourism boards; national bodies for protected areas; local community representatives; environmental or ecotourism associations; universities or academicians; tourism

trade organizations; hotel trade national federations or chambers; national representatives of international conservation organizations (e.g. The Nature Conservancy, Conservation International, WWF); and the media.

31. Some committees also include other stakeholders, such as national social economic councils, intergovernmental organizations, funding institutions, tourism observatories, national funds or councils for tourism promotion, national indigenous agencies, etc.

32. Some countries without national ecotourism committees for the Year, developed other mechanisms to undertake ecotourism activities during 2002. For example, Slovenia and Zimbabwe have a National Committee for Sustainable Development, which deals with ecotourism among other activities; in Colombia and Georgia, ecotourism activities focused on protected areas. Thus, national parks' authorities were in charge of organizing such activities; in Samoa, the Government set up a National Biodiversity Strategic Action Planning Committee that covers ecotourism matters; and in Hong Kong SAR and Oman, various ministries worked together to promote ecotourism.

33. In general, a large majority of the International Year of Ecotourism national committees were established to develop and organize activities for 2002. However, in order to support ecotourism development in the future, most countries decided to maintain their committee and to pursue its activities. Some countries, such as Azerbaijan or the Czech Republic, have not yet set up any national ecotourism committee, but are planning to establish one in the future.

1.2. National strategy for ecotourism

34. While the establishment of national ecotourism committees is aimed at undertaking activities in this field, setting up national strategies for ecotourism reflects a deeper involvement of these countries vis-à-vis ecotourism.

35. In all, 48 countries defined, or are currently defining, a national strategy or plan for ecotourism development in their territories (8 in Africa, 12 in the Americas, 8 in East Asia and the Pacific, 13 in Europe, 3 in the Middle East and 4 in South Asia). There are, of course, differences in the way these strategies are established in those countries. Around a third of them have clearly developed a separate strategy for ecotourism, focusing on different aspects.* Some others have included ecotourism as one of the main segments of a more general tourism strategy (Cambodia, Ecuador, Haiti, Kazakhstan, Republic of Moldova, Rwanda, Sweden or Uruguay), of the tourism chapter within the national economy development strategy (Lithuania), of the nature tourism strategy (Portugal), or of a rural tourism strategy (Morocco).

36. Ecotourism policies in some countries (Argentina, Georgia, Spain) are mainly managed by bodies in charge of protected areas. Some countries (Syrian Arab Republic) make reference to an expansion of green areas or to a greening programme for tourism areas (Mauritius). Others (Bangladesh, Egypt, Jamaica, Oman) have no national plan, but refer to regional or local strategies or programmes

* For instance, Greece's national ecotourism strategy, which foresees the elaboration of a master plan which puts the emphasis on the following points: (a) priorities — choice of regions; (b) description and plan of activities; (c) constitution of a national ecotourism coordinator (Agrotourist S.A.); (d) definition of criteria of ecotourism development; (e) promotion campaign for ecotourism; (f) pilot applications; (g) publications and events; and (h) exchanged of know-how and experience with other countries.

for ecotourism. Other countries (Lebanon, Madagascar and Panama) are not currently setting up any ecotourism strategy, but will present a project of such a strategy in the future. Yet, other countries (Bolivia, Russian Federation and Hong Kong SAR) have a general strategy for the sustainable development of tourism, which applies to ecotourism issues as well.

B. Activities and publications

37. The development of national committees and/or strategies for ecotourism was generally conducted in parallel with the organization of various events and the production of publications relating to ecotourism management.

1. Activities and events organized for the International Year of Ecotourism

38. In order to contribute to the international debate on ecotourism during the Year, many national Governments organized events at the international, national, regional or local levels. The regional distribution of those events worldwide is quite homogenous, even if Africa, the Americas and Europe have witnessed more activities. Typical activities undertaken include: national or regional congress, seminar or workshop; international seminar or conference; launching of ecotourism project or programme; World Tourism Day celebration on ecotourism; launching ceremony for the International Year of Ecotourism; exhibitions (photo, painting, etc.); sports events (e.g. cycling or trekking tours); local workshop or celebration; national or international fairs; conference in national parks and other protected areas (including inauguration of a new national park); regional, national or international festivals (food, music, traditional arts, etc.) related to ecotourism; ecotourism or nature tourism award ceremony (national or regional); national public debate; and good practices contest.

39. Participants represented all types of stakeholders, including other international or intergovernmental organizations, such as UNEP, UNESCO, WTO, The International Ecotourism Society and the World Conservation Union. The themes frequently associated with ecotourism in those activities included mountain tourism, rural tourism, agrotourism, protected areas, community-based tourism, cultural tourism, traditional handicraft conservation, nature conservation, ecolodge, sustainable tourism, poverty alleviation, etc.

40. The International Year of Ecotourism was also an occasion to develop partnerships. Some events were celebrated jointly with the International Year of Mountains 2002 and others were coorganized by two bordering countries (e.g. Guinea with Senegal). Many States, whether they organized ecotourism activities or not, reported that they participated in conferences and seminars prepared by other countries and also in the World Ecotourism Summit in Québec. They also supported many events organized by non-governmental organizations and associations. Some countries mentioned that they already planned to organize other ecotourism events in 2003 or beyond.

2. Publications

41. States produced various types of publications in the framework of the International Year. According to the information received, Europe has been the region with the most written outputs, followed by the Americas. As could be

expected, and in view of the numerous activities undertaken worldwide, final reports and other outputs (announcement, declarations, charters, etc.) represent an important part of the publications produced during the Year.

42. Other outputs for the Year published by different countries around the world can be summarized as follows: inventory of the principal ecotourism sites, facilities and attractions; publication of national ecotourism guides (included sometimes in a more general tourism guide); publication of national or regional ecotourism strategies, plans or programmes (as a whole or summarized); guidelines on ecotourism development (focusing on the specificity of the country: desert areas, wetlands, etc.) for communities, for local bodies or for business operators, such as ecolodge; guidelines for tourists on responsible tourism (i.e. diving, trekking, adventure, etc.); publication of the proceedings of national ecotourism conferences, seminars and workshops; special promotional posters, CD-ROMs, videos (e.g. on national parks), web sites, etc.; articles on ecotourism in ecotourism or related magazines or in the national press; market research on national or regional ecotourism markets (and also on rural tourism); regional maps with ecotourism and other attractions; publication on ecotourism development in national parks; national speeches presented at the World Ecotourism Summit or other international conferences; and ecotourism impact studies.

43. The International Year of Ecotourism was an occasion for some Governments to commission special studies on ecotourism (market, feasibility or consultancy studies at the national level or for certain regions, etc.) to be published in the near future. They also supported university publications, such as theses dealing with specific aspects of ecotourism development. Some of the outputs from Governments were prepared in order to be distributed at the World Summit on Sustainable Development held in Johannesburg.

44. Tourism authorities (ministries or tourism boards) were usually associated with other bodies for these publications, sometimes through the national committees they formed. These bodies included universities, research centres, other ministries (economy, environment, culture), national parks authorities, nature associations, institutes of geography, etc. Ecotourism was often dealt in association with other themes, including environmental protection, agrotourism or rural tourism, mountains, poverty reduction, etc., thus demonstrating its many linkages.

C. Stakeholders' participation and support

1. Stakeholders' participation

45. The United Nations system in general, and the World Tourism Organization in particular, has always encouraged national authorities to develop participative mechanisms in their activities. The creation of national committees for the International Year of Ecotourism was certainly a most important tool for this purpose: many countries mentioned it as the main consultative organ on ecotourism questions. Nevertheless, more actions regarding stakeholders' participation were conducted before and during the International Year.

46. Some countries (Botswana, for example) made extensive efforts to ensure that all stakeholders, government agencies, communities, non-governmental organizations and the private sector were given the opportunity to express their

opinions at each phase of the preparation of the national strategy or plan for ecotourism. Participation of communities is considered not only necessary in ecotourism policy construction, but as its main justification. Workshops intended for regional or local authorities and indigenous or local communities seemed to be used quite regularly, while a few countries, such as Georgia and the Islamic Republic of Iran, did consultation by mail. In some cases, workshops are only organized at the local level for the dialogue between local authorities and their communities. Otherwise, these local bodies and communities were invited to participate in national or international events to express their opinion (events can be specially designed for enforcing upward flow of information from civil society to national authorities, such as in Mexico with the "Ecotourism Community-based Enterprises National Encounter", or in Australia, where the Aboriginal Tourism Australia was one of the main International Year of Ecotourism partners).

47. Nevertheless, consultation about ecotourism questions can be more restricted according to the context and can be limited to contacts with experts and non-governmental organizations at the national level, or consultation of local communities for a specific local ecotourism project. One result of this consultation is that local communities are highly involved in the project management. In some countries, the execution of an ecotourism project needs the approval of the local communities, inter alia, by way of consultation with indigenous and other stakeholders in national reserves; trans-ministerial consultation; contacts with the private sector; dialogue with indigenous national associations; support to non-governmental organizations and private foundations that work with communities; and as part of a consultancy or feasibility study on ecotourism development.

48. Some countries (e.g. Puerto Rico) recognized that such consultative mechanisms were still limited, but were in a process of strong improvement. Others, such as Thailand, say that consultative bodies have been formed, but have not been properly used thus far. In general, very few States consider that regular democratic mechanisms are enough for ecotourism questions.

2. Support to the ecotourism private sector

49. One of the recommendations made by WTO during the International Year was for the national authorities to provide technical, financial and promotional support for and to facilitate the creation and operation of small and medium-sized firms. Indeed, ecotourism has to be built on a dense network of small businesses, rather than on the big concentrations that often characterize the global tourism market.

50. States, principally those from the Americas and Africa, which seem to consider tourism in general, and ecotourism in particular, as a strong component of their economies, responded to this recommendation using different methods.

51. Technical assistance to small enterprises and local communities (advice, feasibility studies, capacity-building, etc.) comes before direct financial support, which is often directed to local bodies and businesses working for specific ecotourism projects or destinations (i.e. focused on protected areas). Since some national Governments, for instance, Botswana, did not have enough funds to finance projects, they facilitated contacts between ecotourism project developers and development partners (non-governmental organizations, funding agencies, banks or donors). They also developed administrative and market facilities for local ecotourism businesses, for example, by setting up positive discrimination for

national businesses, fiscal exemption, loans with low interest and other commercial incentives (provided that businesses complied with some conditions related to environment or community participation).

52. A few countries have set up national funding programmes for tourism enterprises (e.g. Malaysia), or for young entrepreneurs (Greece). Others have organized national financing plans for small businesses in general, within a sustainable development programme (for equipment and environmental improvement, training and research, etc.). These global plans also benefit ecotourism small-sized firms. For example, in Greece, within the framework of the Operational Programme for Competitiveness, the Ministry of Development provided financial support for "Infrastructures for the attraction, management and targeted information dissemination for visitors" (pathways, observation posts, etc). In addition, 2002 was also the occasion to start new programmes focused on nature tourism or ecotourism: in Indonesia, for example, the Ministry responsible for tourism has already planned for 2003 to give financial and technical support for communities who lived around ecotourism destinations. Some States (e.g. Bangladesh, Saudi Arabia, Seychelles and Yemen) reported that they had not yet undertaken support actions, but planned to develop such mechanisms.

53. As far as promotion is concerned, ecotourism businesses could enjoy certain advantages from national promotional campaigns, especially when these focused on natural heritage, such as the one in Chile for example. In the framework of these campaigns, national tourism authorities or boards directly issued promotional material (postcards, posters, logo, etc.). An interesting experience was had in Hungary, where the Government organized study tours in national parks for the media. In addition, part of the technical and financial support accorded to small businesses, described previously, was dedicated to promotional purposes (web site creation, publication of advertising brochures, setting up of ecotourism business networks, ecotourism stands in foreign fairs, shouldering costs for the participation at International Year of Ecotourism events, etc.).

D. Awareness

54. In addition to the activities described in section B above, and the setting up of national ecotourism committees, which contributed strongly to developing awareness among ecotourism stakeholders, Governments undertook other actions to raise the awareness among their population and the tourists themselves.

55. Around 20 per cent of reporting countries mentioned the setting up of global awareness-raising campaigns on ecotourism or responsible tourism. These campaigns were carried out sometimes within a national ecotourism promotion operation or as part of a general campaign on environment. In these or other countries, awareness actions for local operators were also conducted and principally focused on environmental training for tourism employees and guides, by means of special workshops or leaflet distribution (including the Québec Declaration on Ecotourism (A/57/343)). Similar processes have been used for local communities, especially those living within or close to protected areas (training, guidelines for ecotourism business development, etc.). Schools and universities were also subject to particular attention from some Governments, which set up a special information campaign for teachers and students. Special attention was also paid to State

employees (police officers, national parks' agents, etc.) and to elected officials through awareness meetings.

56. For the general population, the following actions were undertaken: an environmental public march, cycling or hiking (Hong Kong SAR), clean-up campaigns (mountains, beaches), tree-planting activities, special International Year of Ecotourism lottery draw (Ecuador), free guiding services on ecotourism sites (Sri Lanka), open days in national parks for World Tourism Day (Hungary). Governments also supported or facilitated the work undertaken by associations (for environmental protection, responsible tourism or community-based tourism). In general, various means were used to spread the information: leaflets, posters, maps, videos, radio or TV programmes, exhibitions (photography contests in Chile, exhibition on environment-friendly technologies in Jamaica), ecotourism festivals, special pages in web sites, documentation during flights (Colombia), national or foreign specialized press (special supplements on protected areas), issue of special stamps (Senegal), code of conduct for tourism and environment (Cyprus, in preparation in Dubai), etc.

E. Regulation

1. Legislation

57. The present report has indicated that various countries set up national strategies in order to plan ecotourism activities. Nevertheless, a scarce minority of them voted special legislation on ecotourism. Only three of the countries that reported their International Year of Ecotourism activities to WTO mentioned law texts concerning ecotourism: Ecuador, Puerto Rico and Philippines (executive order on ecotourism). A few others (Bangladesh, Cambodia, Colombia, Mexico and Spain) have legislation mentioning the concept of ecotourism.

58. However, around 20 per cent of reporting countries declared that they foresaw the preparation of such legislation. Furthermore, there is one case of transborder legislative document for ecotourism activity in the Caucasus region currently being negotiated between Azerbaijan and Georgia. Furthermore, many countries without specific ecotourism legislation stated that ecotourism activities were regulated by various existing acts and laws. Firstly, national laws on environmental protection or national parks ordinances determined tourism and ecotourism development and management. Secondly, some countries already have tourism legislation that includes natural heritage protection and land planning, even a specific law on sustainable development of tourism (e.g. Czech Republic and Republic of Korea). This legislation can deal with forms of tourism close to ecotourism, such as agrotourism and rural tourism (Cyprus, Morocco, Uruguay), nature tourism (Portugal) or adventure tourism (Chile). In general, Governments associate ecotourism to legislation concerning the following themes: archaeology, land use planning, national Agenda 21 (Jordan, Tunisia), hunting, architecture, forest, water, natural reserves, agriculture, wetlands, cultural heritage, wildlife and coasts.

2. Certification systems and indicators

59. A voluntary approach to regulating ecotourism activities is through developing or encouraging the use of indicators, certification schemes and/or ecolabels. Very few countries have set up specific national ecolabels for ecotourism businesses. Four

have reported doing so to WTO: Ecuador, Kenya, Sweden and Thailand. Regarding ecological or quality labels and awards for general tourism, the list is a little longer: Austria, Colombia, Costa Rica, Estonia, Malta, Morocco (on rural tourism), Maldives, Peru and Spain. Other countries mentioned that some regional labels exist in their territory and that some efforts are being made to encourage the adoption of international ecolabels that already exist (e.g. Blue Flag, Green Globe).

60. Existing certification schemes concern mainly catering facilities and accommodation. They focus principally on environmental issues (energy and water-saving techniques, noise and air quality and the use of eco-friendly products and materials), but also on social ones (local community awareness) and services quality. It is to be noted that around half of the countries that do not have any certification schemes thus far intend to develop such mechanisms in the future. This reveals a strong awareness among tourism national authorities regarding the high potential of voluntary schemes for the regulation of ecotourism activities. Other countries, for instance, Lebanon and Samoa, have developed a national system for sustainable tourism indicators that is applied for monitoring ecotourism activities as well.

F. Cooperation

61. Many countries collaborated in the preparation of or participated in international seminars on ecotourism before and during 2002, notably with WTO. Some Governments have also enforced the link with international organizations or with other national Governments in ecotourism programmes.

62. One out of three countries that provided information on their International Year of Ecotourism activities stated that they had collaborated with international organizations or programmes for ecotourism development purposes. Besides WTO, other organizations mentioned include the Economic and Social Commission for Asia and the Pacific, UNEP, UNDP, UNESCO Man and the Biosphere (MAB) Programme, the United Nations Development Fund for Women, The International Ecotourism Society, the World Conservation Union, WWF, the Pacific Asia Travel Association, European programmes (INTERREG), the secretariat of the Convention on Biological Diversity, the International Bird Watching Association, Rare Centre for Tropical Conservation Adventure Travel Society, the Caribbean Tourism Organization, the New Partnership for Africa's Development, Emigration International, the South Asian Association for Regional Cooperation (SAARC), Bangladesh, India, Myanmar, Sri Lanka, Thailand Economic Cooperation (BIMST-EC) and the International Mountaineering Organization.

63. Similarly, one out of three countries have established an international collaboration agreement related to ecotourism with other national Governments (including between national parks authorities) for research, training programmes, ecotourism regulation, etc. This collaboration is mainly in the case of border countries, which often share protected areas, for example, Lesotho and South Africa, or Ecuador, Peru and Colombia. Nevertheless, it can also be the result of a technical cooperation between non-border States (such as between Costa Rica and Chile or Ecuador for example, for the adaptation to ecotourism of the tourism certification scheme). Cooperation can be included within a cross-boundary general development plan: for example, the Amazonian Strategic Plan or Euroregions development plans,

such as the project for the Carpathian Mountains, which involves seven countries. This form of cooperation arises from the need to alleviate the negative consequences for tourism development among others, of States and nations that are separated by frontiers, and to counteract the tendency for those areas distant from their capital cities to be neglected.

64. Many countries also benefit from the technical or financial assistance of national cooperation and development agencies: Agency for International Cooperation (AECI) (Spain), GTZ (Germany), Belgian, Irish, United States Agency for International Development (USAID), the Canadian International Development Agency (CIDA), Canada Green Fund, New Zealand or international funding agencies or organizations: the Inter-American Bank, the World Bank, the European Union, the African Development Bank, the Asian Development Bank, the Global Environment Facility, etc.

Assessment of World Tourism Organization activities

65. In the final question of the survey, Governments were asked to evaluate the activities undertaken by the WTO in the framework of the International Year of Ecotourism.

66. More than half of the reporting countries (48) indicated that the activities were interesting for the international ecotourism industry, especially in developing countries where tourism and ecotourism often represented a substantial part of their economic activities. They specified that the events, publications and final recommendations helped to raise awareness worldwide. In addition, international cooperation (exchange of good practices, collaboration with international organizations and intergovernmental cooperation) was largely facilitated.

67. Around half of the countries (42) stated that the activities carried out by WTO in preparation for and during the Year were of high importance.

IV. Follow-up and recommendations

A. World Tourism Organization follow-up activities

68. **The following activities will be undertaken by WTO:**

- **Based on the results of the above-mentioned survey, a detailed publication on exemplary government practices will be prepared, containing documents and further analysis of the main results of the International Year of Ecotourism related to ecotourism policy, planning, stakeholder participation and support, marketing, regulation, etc.**
- **The collection and dissemination of good practices is being continued after the International Year of Ecotourism: a compilation of good practices in small ecotourism businesses was published in April 2003.**
- **Support for small and medium-sized ecotourism companies will be provided for the application of the recommendations of the International Year, through the above-mentioned good practice compilation, seminars and other dissemination tools, as well as through taking an active role in**

the preparations for the United Nations-designated International Year of Microcredit (2005).

- A series of ecotourism seminars for protected area managers will be organized, starting with two subregional events in Africa.

- WTO is continuing its work in the field of certification systems for sustainable tourism. It supports the process of creating the Sustainable Tourism Stewardship Council, a global accreditation programme. The organization recently prepared a set of recommendations for Governments for supporting or creating national certification systems. In addition to the general procedure and the criteria recommendations, which are fully applicable to ecotourism operations as well, specific criteria have been included for ecotourism and suggestions have been made to facilitate the participation of small tourism businesses in certification programmes. Based on these recommendations, a series of regional seminars will be organized in the course of 2003 and 2004.

- A series of national seminars on Local Agenda 21 programmes has been initiated in 2003. The seminars involve principally municipal governments and tourism officials and promote the application of integrated tourism management systems.

- The work on sustainable tourism indicators is also continued, with a new international study expected to be published by early 2004. The resource book and manual will include specific sections on the application of indicators at natural sites and ecotourism attractions.

- A comprehensive Destination Management Network is currently being developed, which will specify the main types of tourism destinations, including natural and ecotourism destinations.

B. United Nations Environment Programme follow-up activities

69. As a follow-up to the International Year of Ecotourism, UNEP will:

- Develop guidelines and recommendations for successful ecotourism and sustainable tourism policies and strategies. The guidelines will be based on the results of six regional multi-stakeholder workshops to be held in 2003 and 2004. In 2004, UNEP will publish a handbook for Governments based on this consultative process, including an action plan for next steps in setting global standards, and a proposed financial structure for implementation of the action plan.

- Develop tools to support the implementation of the guidelines, such as:

  – A report on the links between ecotourism and sustainable tourism development, conservation of biodiversity and poverty alleviation called "Mapping Tourism Footprints" (with Conservation International and the International Institute for Environment and Development), with a series of geographic information system-referenced maps overlapping tourism investments, conservation hotpots and social variables, such as the UNDP human development index;

– Guides for small and medium-sized tourism enterprises and local authorities in developing countries, on renewable energy, waste management and Local Agenda 21 processes.

• Continue implementing demonstration projects, such as the UNESCO/UNEP project entitled "Linking tourism and biodiversity conservation in six World Heritage sites" (El Vizcaino and Sian Ka'an in Mexico, Tikal in Guatemala, Rio Plátano in Honduras and Komodo and Ujung Kulon in Indonesia). In 2003, the project will focus on training participants in public use of parks, ecotourism and nature interpretation, consolidating and disseminating lessons learned through publications and fostering public-private partnerships. The Indonesian sites will begin activities in 2003.

Annex

List of responding countries

Afghanistan
Argentina[a]
Australia[a,b]
Austria[b]
Azerbaijan[b]
Bahrain
Bangladesh[a]
Belgium
Bolivia[a]
Botswana[a,b]
Bulgaria[b]
Cambodia[b]
Chile[a,b]
Colombia[b]
Costa Rica[a,b]
Curaçao[b]
Cyprus[b]
Czech Republic
Dominican Republic[a]
Dubai
Ecuador[a]
Egypt[a]
El Salvador[a,b]
Eritrea[a]
Estonia[a]
Georgia
Germany
Ghana
Greece[a,b]
Guatemala[a,b]
Guinea[a]
Haiti[b]
Holy See
Hong Kong SAR
India[a,b]
Indonesia[a,b]
Iran, Islamic Republic of[a,b]
Ireland
Israel[a,b]
Jamaica[a]
Japan
Jordan[a,b]
Kazakhstan[b]
Kenya[a]
Korea, Democratic People's Republic of
Korea, Republic of
Lebanon[a]
Lesotho[a]
Libyan Arab Jamahirya[b]
Liechtenstein
Lithuania[b]
Macau
Madagascar[a]
Malaysia[a,b]
Maldives[a]
Mali[b]
Malta[a]
Mexico[a,b]
Morocco
Namibia[b]
Nepal[a,b]
Niger
Oman
Panama
Peru[b]
Philippines[a,b]
Poland
Portugal[a,b]
Puerto Rico[b]
Republic of Moldova[b]
Russian Federation
Rwanda[a,b]
Saint Vincent and the Grenadines
Samoa[b]
Sao Tome and Principe
Saudi Arabia
Senegal[a,b]
Seychelles[a,b]
Slovakia[b]
Slovenia[b]
Spain
Sri Lanka[a,b]
Sweden
Syrian Arab Republic[a]
Thailand[a,b]
Togo
Tunisia[a]
Turkey[b]
United Republic of Tanzania[a,b]
Uruguay[a,b]
Yemen[b]
Yugoslavia
Zimbabwe

[a] Responding countries in which national or local tourism authorities established committees for ecotourism activities. WTO was informed that Brazil, the Central African Republic, Congo, Côte d'Ivoire and Fiji also have such committees.

[b] Responding countries which defined, or are currently defining, a national strategy or plan for ecotourism development in their territories (either separately or included within a more general development strategy). WTO was informed that Angola and Venezuela have also defined such a strategy.

United Nations A/58/97

General Assembly

Distr.: General
25 June 2003

Original: English

Fifty-eighth session
Item 120 of the preliminary list*
Financial reports and audited financial statements, and reports of the Board of Auditors

Second report on the implementation of the recommendations of the Board of Auditors on the accounts of the United Nations for the biennium ended 31 December 2001

Report of the Secretary-General

Summary

The present report provides an update of the information contained in A/57/416 on the measures taken or being taken to implement the recommendations of the Board of Auditors as contained in its report on the accounts of the United Nations for the biennium ended 31 December 2001. The report indicates that a majority of the Board's recommendations have been duly implemented or measures are actively being pursued towards the implementation of the recommendations. Where a particular recommendation of the Board has been fully implemented since the issuance of the previous report of the Secretary-General, no further information is provided thereon.

* A/58/50/Rev.1 and Corr.1.

03-40818 (E) 180703

I. Introduction

1. In its resolution 52/212 B of 31 March 1998, the General Assembly accepted the recommendation of the Board of Auditors contained in the annex to the note by the Secretary-General (A/52/753) that progress reports should be submitted to the General Assembly on an annual basis on measures taken or to be taken in response to the recommendations of the Board of Auditors.

II. Implementation of recommendations contained in paragraph 13 of the report of the Board of Auditors[1]

A. Financial issues

1. Voluntary contributions pledged

2. **In paragraphs 13 (a) and 27 of the report of the Board of Auditors, the Board recommended that the Office of Programme Planning, Budget and Accounts: (a) review the application of the provisions of the United Nations Finance Manual in relation to the United Nations system accounting standards in order to address the inconsistency in the recording of unpaid pledges; and (b) apply consistently the accounting policy on recognition of income in trust funds.**

3. Effective 1 January 2002, the application of the accounting policy and the treatment of unpaid pledges for technical cooperation projects were revised accordingly.

4. The Controller is responsible for the implementation of the recommendation.

2. Trust funds

5. **In paragraphs 13 (b) and 35, the Board recommended that the Office of Programme Planning, Budget and Accounts review trust funds whose purposes have long been attained in order to close those that are inactive and no longer required.**

6. Trust funds are reviewed regularly on a case-by-case basis to determine appropriate disposition action. In this connection, in a coordinated effort, a staff member has also been assigned the task of analysing the United Nations trust funds and recommending appropriate action.

7. The Controller is responsible for the implementation of the recommendation.

B. Management issues

Integrated Management Information System

8. **In paragraphs 13 (f) and 110, the Board recommended that the Administration: (a) develop short- and medium-term information technology plans for the Integrated Management Information System (IMIS) that establish the work to be done, the task priorities and the resource allocation policy; and**

(b) provide information on development and maintenance costing and detailed time frames.

9. The strategic plan for IMIS for the period 2002-2005 was completed in November 2002. It includes the technological upgrade of IMIS and other projects and lays out the priorities, the resource allocation issues and the areas where further information and analysis are required before detailed plans can be prepared. In turn, it reflects the direction of the overall ICT strategy presented to the General Assembly in the report of the Secretary-General (A/57/620).

10. The Assistant Secretary-General for Central Support Services is responsible for the implementation of the recommendation.

11. **In paragraphs 13 (g) and 113, the Board recommended that the Administration develop and implement a structured, Organization-wide risk-assessment process covering all information and communication technology environments that, inter alia: (a) clearly defines roles and responsibilities for risk management and accountability; and (b) establishes a policy defining risk reporting, limits and tolerance.**

12. With the arrival in November 2002 of a newly appointed ICT Security Coordinator, and the formation of the ICT Security Unit, an in-house risk-assessment capability is being established to service the Organization. Employing industry best practices (such as OCTAVE, SSE-CMM, and ISO-17799), the risk assessment will include identification of critical assets, threat assessment, likelihood and consequence estimates, vulnerability analysis, and subsequently a corrective action strategy/plan. The roles will be clearly defined and a policy established. The risk-assessment area of work will earmark a continuous improvement programme to be sustained with routine and ad hoc assessments.

13. The Assistant Secretary-General for Central Support Services is responsible for the implementation of the recommendation.

14. **In paragraphs 13 (h) and 118, the Board recommended that the Administration: (a) document its procedures for updating and maintaining IMIS manuals when updates are implemented; (b) establish programme change authorization guidelines that would provide for a rapid and efficient planning, approval and initiation process; and (c) ensure that persons responsible for approving programme change are identified and designated.**

15. Implementation of this recommendation is in progress. The procedures and guidelines were already in place. Some parts of the documentation remain to be completed, which will be done in the second quarter of 2003. The actual procedures for (a), (b) and (c) are already in place, so completing the documentation will serve to have a written record of them.

16. **In paragraphs 13 (i) and 122, the Board recommended that the Administration implement performance- and capacity-monitoring procedures and develop a comprehensive IMIS disaster recovery plan.**

17. Implementation of the recommendation is in progress. A disaster recovery plan using remote mirroring to a second data centre is being prepared and has been partially implemented. Further steps to improve the disaster recovery preparedness, including the purchasing and implementation of an "automated disaster tolerant solution for IMIS availability" are being developed. This project is currently in the

request-for-proposal stage and is expected to be implemented in the fourth quarter of 2003. In addition, and in order to protect IMIS data from larger-scale disaster possibly affecting the second data centre, plans are being considered to replicate the data to a third, overseas location such as the United Nations Logistics Base in Brindisi. If confirmed, the timeline to implement this solution will be prepared.

18. The Assistant Secretary-General for Central Support Services is responsible for the implementation of the recommendation.

19. **In paragraph 129, the Board recommended that the Administration enhance the applied deposits user session to ensure that all information entered by the Treasury in the session is made available as read-only data and that the Central Accounts Section be responsible only for the classification of the collection deposited during the session.**

20. The Administration is satisfied with the current functionalities in IMIS, given that the audit trail of action taken by OPBBA is generated in IMIS.

21. The Controller is responsible for the implementation of this recommendation.

22. **In paragraphs 13 (j) and 133, the Board recommended that the Administration introduce controls to ensure that no modifications of the receipt details are allowed once IMIS has generated and/or printed the receipt documents.**

23. Implementation of this recommendation is in progress. The requirements for the implementation of the recommendation have been defined, and the implementation will be completed in the second quarter of 2003. This will ensure that receipts cannot be modified once receipt documents have been generated and printed in IMIS. However, there have not been any cases to date of receipts being inappropriately modified and procedures are in place to help to ensure that, so the impact will otherwise be minimal.

24. The Assistant Secretary-General for Central Support Services is responsible for the implementation of the recommendation.

25. **In paragraphs 13 (m) and 155, the Board recommended that the Administration review the distribution of functional packages to IMIS users in order to ensure the adequate segregation of incompatible functions and immediately discontinue the present practice of password-sharing in order to ensure the validity of the recorded transactions in IMIS.**

26. The review of the allocation of IMIS functional packages is an ongoing exercise of the IMIS human resources help desk. Significant progress has been made in cleaning up the allocation of functional packages to IMIS human resources users. As for password-sharing, a directive will be issued by OHRM to staff in that regard.

27. The Assistant Secretaries-General for Central Support Services and Human Resources Management are responsible for the implementation of the recommendation.

C. Other issues

1. Statement of account for receivables for the Integrated Management Information System

28. **In paragraph 164, the Board recommended that the Office of Programme Planning, Budget and Accounts, in coordination with the IMIS reports team, use the IMIS function to efficiently generate statements of account.**

29. While the Board recommended that OPPBA utilize IMIS functions to efficiently generate statements of account, OPPBA is reviewing its options so as to optimally generate billing statements for accounts receivable, including a review of the LOTUS Notes application recently developed and adopted by the United Nations Office at Vienna.

2. Integrated Monitoring and Documentation Information System

Reports generated by the Integrated Monitoring and Documentation Information System

30. **In paragraph 169, the Board recommended that the Administration review and enhance the capabilities of the Integrated Monitoring and Documentation Information System (IMDIS), such as an improved search engine, to make it an effective tool in monitoring and reporting programmes. The Board also recommended that the Administration ensure that programme managers regularly update and review the information on their programme implementation in IMDIS.**

31. The Department continues to work with the Office of Programme Planning, Budget and Accounts and the Office of Internal Oversight Services to enhance the capacity of IMDIS as an effective monitoring and reporting tool, while ensuring that it remains consistent with any new methods for programme planning as determined by OPPBA.

32. The Under-Secretary-General for Economic and Social Affairs is responsible for the implementation of the recommendation.

D. Office of Internal Oversight Services

1. Information technology and information system audit function and capability

33. **In paragraphs 13 (o) and 183, the Board recommended that the Office of Internal Oversight Services strengthen its information technology and information systems audit capability through further staffing and training, following the approach recommended by the International Organization of Supreme Audit Institutions.**

34. The implementation of this recommendation is ongoing. A project team under the Tripartite Meeting of oversight entities (Joint Inspection Unit, Board of Auditors and Office of Internal Oversight Services) has been established to look into strategies for improving IT audit capacity in the Organization.

35. The Under-Secretary-General for the Office of Internal Oversight Services is responsible for the implementation of the recommendation.

2. Documentation of work performance

36. **In paragraph 185, the Board recommended that Office of Internal Oversight Services auditors: (a) properly document the review of internal controls; (b) organize the working papers with appropriate references and cross-references; and (c) retain the working papers for reference and evaluation purposes. The Board also recommended that the Office ensure that reviews by audit supervisors are indicated in the working paper files.**

37. The implementation of the recommendation is ongoing. The Internal Audit Division has provided training on working paper standards at all duty stations, and has decentralized the retention of working papers to Audit Sections to improve control. The Division has also implemented a report clearance check sheet to ensure that supervisory reviews of the working paper files have been performed. Compliance with the Board's recommendations will be further reinforced through the introduction of periodic peer reviews of working papers on selected assignments. Moreover, the Division is currently undertaking an electronic working paper pilot project which, when successfully implemented, will fully ensure that the Board's recommendations are complied with.

38. The Under-Secretary-General for the Office of Internal Oversight Services is responsible for the implementation of the recommendation.

3. Reporting of potential financial savings

39. **In paragraph 189, the Board recommended that the Office of Internal Oversight Services document the basis and manner of computing savings.**

40. Implementation of the recommendation is ongoing. The Internal Audit Division provides an estimate of potential savings in audit reports, whenever feasible. However, this is not always possible as the data necessary for the computation of savings are not always available when the report is prepared. As previously indicated to the Board, documentation of the basis and manner of computation of savings are in all cases documented in the working papers and reviewed by the responsible supervisors.

41. The Under-Secretary-General for the Office of Internal Oversight Services is responsible for the implementation of the recommendation.

E. Inter-agency services

1. Administration of the United Nations Office at Geneva

42. **In paragraphs 13 (p) and 203, the Board recommended that the United Nations Office at Geneva clarify its responsibilities vis-à-vis other United Nations entities by formally listing them and, accordingly, pursue its plan of drafting memorandums of understanding with each concerned organization in order to clarify the content and reimbursement of services and to better monitor them.**

43. The United Nations Office at Geneva is finalizing the revision of ST/SGB/2000/4 so as to include the list of all entities it services. Meanwhile, the Office continues to formalize the services it provides to clients through

memorandums of understanding. Nine of them were in place at the end of May 2003.

44. The Director of the Division of Administration, United Nations Office at Geneva, is responsible for the implementation of the recommendation.

45. **In paragraph 208, the Board recommended that the United Nations Office at Geneva review the resource allocation for the Treasury functions and ensure the proper segregation of incompatible functions.**

46. The United Nations Office at Geneva has reviewed the resource allocation for the Treasury functions to ensure proper segregation of incompatible functions. As a result, one post in the Professional category has been redeployed to Treasury from within the Financial Resources Management Service.

47. The Director of the Division of Administration, United Nations Office at Geneva, is responsible for the implementation of the recommendation.

48. **In paragraph 212, the Board recommended that the United Nations Office at Geneva develop, in close coordination with Headquarters, suitable tools for cash management in IMIS, and that it frequently review malfunctions and anomalies.**

49. UNOG is reviewing the existing Consolidated Treasury System (CTS) with a view to enhancing its cash management functionality. CTS interfaces with IMIS and bank payments systems for treasury operations. The Financial Resources Management Service and the Information and Communication Technology Service, UNOG, will focus on the enhancement of CTS concerning cash management functionality, immediately after the implementation of IMIS Release 3 at the United Nations System Staff College, which is scheduled for July 2003.

50. The Director, Division of Administration, United Nations Office at Geneva, is responsible for the implementation of the recommendation.

2. Administration of the United Nations Office at Vienna

51. **In paragraph 221, the Board recommended that United Nations Headquarters and the United Nations Office at Vienna either reorganize the conference services under a single D-1 post to comply with the budget or submit an accurate staffing table for approval by the General Assembly.**

52. Effective 1 February 2004, the situation will be resolved.

53. The Director of the Division of Administration, United Nations Office at Vienna, is responsible for the implementation of the recommendation.

F. Other offices

1. Office of the High Commissioner for Human Rights, the United Nations Office at Geneva and implementing partners

54. **In paragraph 231, the Board recommended that the Office of the High Commissioner for Human Rights (OHCHR) draft a memorandum of understanding with the United Nations Office for Project Services (UNOPS) for those remaining operations entrusted to the latter.**

55. A memorandum of understanding between OHCHR and UNOPS has been drafted and is awaiting clearance from the appropriate departments of the United Nations Secretariat. OHCHR will actively follow up on this recommendation.

56. The High Commissioner for Human Rights is responsible for implementation of the recommendation.

2. United Nations Interregional Crimes and Justice Research Institute

57. **In paragraph 235, the Board encouraged the Office for Drug Control and Crime Prevention (ODCCP) and the United Nations Interregional Crime and Justice Research Institute (UNICRI) to consult more closely in the planning of work programmes and recommended that the Administration review the structure and authority of the Institute.**

58. UNICRI has embraced the Board's recommendation with regard to the encouragement of closer consultation with ODCCP and UNICRI in the planning of work programmes. However, as far as the administrative review of the structure and authority of the Institute, the Director of UNICRI will be in a position to implement such a request only after prior consultation and upon receipt of guidance from the United Nations Headquarters (New York).

59. The Director of UNICRI is responsible for the implementation of the recommendation.

3. International Civil Service Commission

Reporting cycle on the implementation of decisions and recommendations of the Commission

60. **In paragraph 240, the Board recommended that the International Civil Service Commission (ICSC) secretariat invoke the agreement accepted by the participating organizations under article 1.2 of the ICSC statute in order to obtain the necessary data on the implementation of ICSC decisions and recommendations.**

61. A report on the implementation of ICSC decisions and recommendations by the participating organizations is in preparation by the ICSC secretariat and will be considered by the Commission at its fifty-seventh session in New York, from 14 to 25 July 2003, as an agenda item. The matter will be part of the ICSC report to the General Assembly later in 2003.

62. The Executive Secretary of ICSC is responsible for the implementation of the recommendation.

63. **In paragraph 242, the Board recommended that the ICSC secretariat justify to the extent possible the adjustments of the ICSC agenda until it attains the regular biennial cycle for reporting comprehensive information on the implementation of ICSC decisions and recommendations. The agenda should correspond with the biennialization of the work programme of the Fifth Committee, which was the prime consideration in modifying the annual reporting as required under article 17 of the statute.**

64. The matter will be considered at the Commission's spring session and reported upon subsequently to the General Assembly.

4. Office for the Coordination of Humanitarian Affairs

Central Emergency Revolving Fund

65. **In paragraph 247, the Board recommended that the Office for the Coordination of Humanitarian Affairs (OCHA) resolve without further delay the issue of the Central Emergency Revolving Fund's advance still accounted for as receivable that the Office states was reimbursed in 1998, and, noting that the two-year deadline had passed, that the Office obtain immediate reimbursement from the United Nations Development Programme.**

66. In a continuing effort to obtain reimbursement of the outstanding $630,000 advance, OCHA has been in close contact with UNDP and members of the United Nations Country Team in Ethiopia. After consultations, it has been determined that the amount was indeed utilized to cover security and communications costs, as intended. The resulting improvements in staff security have clearly benefited the entire humanitarian community in Ethiopia. In order to recover the full amount on an urgent basis, OCHA therefore has sought advice from UNDP on methods of cost-sharing reimbursement through this modality. This will include reviewing past donor contributions to determine whether resources have been made available for this purpose.

67. The Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator is responsible for implementation of the recommendation.

Personnel

68. **In paragraph 254, the Board recommended that the Office for the Coordination of Humanitarian Affairs review its human resources management policies and ensure compliance with United Nations regulations and rules.**

69. An explanation for the circumstances surrounding the temporary redeployment of the P-2 post in Geneva for the Inter-Agency Standing Committee Unit, as well as the case of the staff member with multi-contracts of fixed-term duration has been provided to the Board. The matter is still under review by OHRM.

70. The Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator is responsible for implementation of the recommendation.

III. Report of the Board of Auditors on the expanded examination of the practices and procedures with regard to the handling of arbitration/claims cases by the United Nations Administration[2]

71. **In paragraph 11 of its report to the Advisory Committee on Administrative and Budgetary Questions on procurement-related arbitration, the Board recommended that the Office of Legal Affairs and the Field Administration and Logistics Division should clarify whether "overflight" charges should be regarded as a direct tax or charges for public utility services.**

72. This recommendation was made in the context of the review of a particular case, the Eurocontrol case. The Office of Legal Affairs had taken the position that

the charges in question are taxes from which the United Nations should enjoy immunity; such charges are imposed on the operators and owners of aircraft, who do not enjoy immunity. For this reason, the Office of Legal Affairs does not believe that revising the language of the current United Nations aircraft charter agreements will have any significant bearing on disputes with Eurocontrol or similar authorities in the future. Accordingly, there are no relevant effects, changes or results to report.

73. **In paragraph 31, the Board recommended that in the purchase of specialized equipment, the Procurement Division should consult with relevant offices of the United Nations to confirm that purchases requested are fully compatible with related installations.**

74. The Procurement Division has been in full consultation with relevant offices to ensure that purchases are fully compatible with other systems. Adherence to this practice will assure compatibility between goods and services to be procured and the existing system/infrastructure. However, it has to be recognized that the Procurement Division is dependent on the technical expertise of other offices in making procurement decisions on highly specialized types of goods and services.

75. **In paragraph 34, the Board recommended that the Office of Legal Affairs and the Procurement Division should coordinate the establishment of procedures to ensure that proper internal controls are in place for the solicitation, selection and setting of fees in respect of outside counsel.**

76. The Procurement Division and the General Legal Division of the Office of Legal Affairs have agreed on new procedures for the registration, selection and engagement of outside counsel, procedures which would increase transparency in the selection process. A joint instruction issued by the Office of Legal Affairs and the Procurement Division entered into force on 1 March 2003. The elements of the 10 January 2001 instruction that pertained to appointment of arbitrators have been issued in a new internal instruction by the Legal Counsel on 21 February 2003.

Notes

[1] *Official Records of the General Assembly, Fifty-seventh Session, Supplement No. 5* (A/57/5), vol. I and corrigendum (A/57/5/Corr.1), chap. II.

[2] See A/55/829, annex III.

United Nations A/58/97/Add.1

General Assembly

Distr.: General
25 June 2003

Original: English

Fifty-eighth session
Item 120 of the preliminary list*
Financial reports and audited financial statements, and reports of the Board of Auditors

Second report of the Secretary-General on the implementation of the recommendations of the Board of Auditors on the accounts of the United Nations funds and programmes for the biennium ended 31 December 2001

Report of the Secretary-General

Addendum

Summary

As mandated by the General Assembly in its resolution 52/212 B of 31 March 1998, the present report provides an update of the information previously submitted to the General Assembly in A/57/416/Add.1 and highlights the continuing efforts of the executive heads of 12 United Nations funds and programmes and the International Tribunal for Rwanda to implement the recommendations of the Board of Auditors on their accounts for the financial period ended 31 December 2001. Where a particular recommendation of the Board has been fully implemented since the issuance of the previous report, no further information is provided thereon.

* A/58/50/Rev.1 and Corr.1.

03-40890 (E) 210703

Contents

		Paragraphs	Page
I.	Introduction	1–2	3
II.	Update of the measures taken or being taken to implement the recommendations of the Board	3–139	3
	A. International Trade Centre UNCTAD/WTO	3–9	3
	B. United Nations University	10–12	4
	C. United Nations Development Programme	13–26	4
	D. United Nations Children's Fund	27–45	6
	E. United Nations Relief and Works Agency for Palestine Refugees in the Near East	46–75	8
	F. United Nations Institute for Training and Research	76–82	11
	G. United Nations Environment Programme	83–92	11
	H. United Nations Population Fund	93–100	13
	I. Fund of the United Nations International Drug Control Programme	101–116	14
	J. United Nations Office for Project Services	117–127	15
	K. International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994	128–139	16

I. Introduction

1. In its resolution 52/212 B of 31 March 1998, the General Assembly accepted the recommendation of the Board of Auditors contained in the annex to the note by the Secretary-General (A/52/753) that progress reports should be submitted to the General Assembly on an annual basis on measures taken or to be taken in response to the recommendations of the Board of Auditors. In preparing the present report, account was also taken of the provisions of the following General Assembly resolutions: 49/216 A of 23 December 1994, in particular paragraphs 9 and 10; 49/216 B, paragraphs 3 and 4; 49/216 C, paragraph 3; 50/204 A of 23 December 1995, paragraph 4; 51/225 of 3 April 1997, section A, paragraph 10; and 52/212 B of 31 March 1998, paragraphs 3 to 5.

2. The Secretary-General therefore has the honour to present for the consideration of the General Assembly an update of the information previously provided in A/57/416/Add.1 on further measures taken or being taken to implement the recommendations of the Board of Auditors by the executive heads of the following funds and programmes: the International Trade Centre UNCTAD/WTO (ITC), the United Nations University (UNU), the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF), the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), the United Nations Institute for Training and Research (UNITAR), the voluntary funds administered by the Office of the United Nations High Commissioner for Refugees (UNHCR), the Fund of the United Nations Environment Programme (UNEP), the United Nations Population Fund (UNFPA), the United Nations Habitat and Human Settlements Foundation (UN-Habitat), the Fund of the United Nations International Drug Control Programme (UNDCP), the United Nations Office for Project Services (UNOPS), and the International Tribunal for Rwanda (ICTR).

II. Update of the measures taken or being taken to implement the recommendations of the Board

A. International Trade Centre UNCTAD/WTO[1]

3. **In paragraph 9 (b), the Board recommended that ITC conduct its planned review of the outstanding requirements of its Corporate Management Information System (CMIS), determine a cost-efficient monitoring system and reach a formal decision on the two CMIS modules that were put on hold.**

4. The ITC has considerably increased its usage of CMIS as a portal for collecting data used for the reporting on various activities. In particular, data from CMIS and its module QMR are integrated into a new online project portal through the Intranet. The implementation of the Integrated Management Information System (IMIS) as of April 2003 will make data available on a daily basis instead of monthly. Work is progressing to integrate IMIS data with CMIS and work on the re-engineering of CMIS will resume during the second quarter of 2003. Modules of the re-engineering of CMIS are expected to become available incrementally as of the end of 2003.

5. Most of the changes to IMIS required to accommodate the dual currency operations of ITC (budget in Swiss francs and reporting in United States dollars) have been done by the IMIS team at the United Nations Headquarters and are being implemented with Release 3. One module is still under development and should be delivered by the end of the second quarter of 2003. A report to the General Assembly is expected for the spring of 2004 and depends upon the outcome of consultations with the Secretariat of the United Nations and that of the World Trade Organization. The implementation date of the IMIS Swiss francs module depends upon the United Nations IMIS team in New York.

6. The Director, Division of Programme Support is responsible for implementing this recommendation.

7. **In paragraph 28, the Board recommended that ITC further streamline the management of its projects and particularly file and update summary financial progress report tables of amounts received and paid.**

8. ITC implemented the financial module of IMIS as of 1 April 2003. Once the implementation is bedded down, ITC will look into the feasibility of producing automated reports to meet the audit recommendations. Depending on the workload of the Information Technology Services Section, the recommendation should be fully implemented by the end of 2003.

9. The responsibility for implementing this recommendation lies with the Chief, Financial Management Section, Division of Administration.

B. United Nations University[2]

10. **In paragraph 10 (c), the Board recommended that the United Nations University prepare the budget and record expenditures per project, per object of expenditure and accordingly enter the data in the Financial, Budgetary, and Personnel Management System (FBPMS); and enhance this System to allow it to reject obligations in excess of allotments at data entry.**

11. Negotiations between the United Nations University and a consultant on the conversion of the FBPMS to a web-based system are still ongoing.

12. The Chief of Finance is responsible for the implementation of this recommendation.

C. United Nations Development Programme[3]

13. **In paragraph 23, recommendation 11 (a), the Board recommended that UNDP monitor the financial position of the funds administered by it and continue to take measures to ensure that it maintains healthy fund balances for its regular resources.**

14. The United Nations Capital Development Fund (UNCDF) has confirmed that efforts has been made and will continue to be made to reduce programme approvals and expenditure at levels commensurate with accumulated liquidities and income. The level of new programme approvals was reduced to $9 million in 2002. As actual core contributions were lower than anticipated in 2002, UNCDF had to re phase a significant portion of its programme expenditures down to $29 million, as compared

to $32.8 million in 2001. UNCDF will continue to monitor closely its financial situation in 2003 to ensure that its 2002 programme approvals and expenditures are commensurate with available resources.

15. On the income side, in its decision 2002/26, the Executive Board invited the international community to help to achieve the UNCDF core resources mobilization target of $30 million per year. The achievement of this target is considered necessary for UNCDF to reach a level of programme approvals and expenditures in the near future that can help to reduce the current sizeable gap between the demand of programme countries for its investments and capacity-building services in its two focus areas and its ability to respond.

16. **In recommendation 11 (d), the Board recommended, and UNDP agreed, that all bank accounts should be reconciled and a formalized procedure implemented for the review of material bank account reconciliations.**

17. On a monthly basis, the Chief of the General Accounting Unit reviews the reconciliation and a copy is forwarded, formally, to the Treasury Section for follow-up action on the reconciling items.

18. **In paragraph 56, the Board recommended that obligations be recorded only on the basis of valid obligating documents and that they should be recorded in the appropriate accounting period.**

19. The United Nations Volunteer programme (UNV) agrees with the Board's recommendation. UNV confirms that they have at all times adhered to the normal rule but had to make an exception in December 2001 because UNV was clearly committed and had taken all necessary steps to make the purchases before 31 December against a specific budget allocation identified and confirmed at the end of the third quarter. However, by doing so, the UNV was able to save $6,000.

20. **In paragraph 69, the Board recommended that UNDP intensify its efforts to clear the remaining long-outstanding differences with executing agencies and make the necessary adjustments to the records. Also, UNDP should follow up in a timely manner on any differences in the quarterly reconciliations and apply a consistent basis of comparison.**

21. UNDP has assigned two examiners on a full-time basis to intensify the reconciliation of the outstanding differences between agencies and UNDP books. Action being taken to resolve issues are as follows. With the new standard reconciliation format required from the agencies, details of long-outstanding items, particularly items prior to 1999, are now identified and are being fully investigated. Communications are being sent to the country offices and other in-house offices on behalf of the agencies to facilitate settlement of disputed charges. Associated agency queries are being followed up between the executing and implementing agencies to assist in resolving issues. Queries regarding expenditures and administrative and operational services are being investigated and details by projects are being sent to the agencies to enable them to identify discrepancies. Considering that disputed items date as far back as the early 1990s, it is estimated that it will take about two to three years to ascertain the validity of the agencies' operating fund statement outstanding balances.

22. The Comptroller, Office of Finance and Administration, Bureau of Management, is responsible for the implementation of the recommendation.

23. **In paragraph 164, the Board recommended that UNDP implement proper controls to ensure that the requirements of the corporate card manual in respect of transaction limits are adhered to and that where there is a need for an increased limit, UNDP implement proper controls to ensure that expenditure is within the allotment lines.**

24. The agreement with the carrier, JP Morgan Chase, does not allow for any single transaction to exceed the limit of $2,500 or a total of $10,000 per month per cardholder. Authority to exceed these amounts must be granted by the card administrator in UNDP. During the pilot roll out of the purchasing card, the limit for each transaction was set at $1,000. This led to some exceptions of allowing transactions up to $2,500, since the Financial Regulations and Rules permit contracting up to $2,500 without a written purchase order. With increased experience of using the purchasing card and implementation of PaymentNet Software, the limit has been increased for all cardholders to $2,500 per transaction. With this increased limit, there has been no exception over the last six months.

25. **In paragraph 166, the Board recommended that UNDP implement controls to ensure that each cardholder complies with the terms of payment as stipulated in the agreement between UNDP to avoid unnecessary expenditure.**

26. On a monthly basis, UNDP monitors the status of payments by cardholder and would follow up with cardholders who have missed the month-end deadline for settlement of amounts due. Cardholders who incur late fees would have those fees recovered from their salaries and in cases of delinquency in excess of 60 days, the privilege of the card would be withdrawn. The following controls have been established to ensure that that there are no late payments: online PaymentNet web site, which allows monitoring of those who are delinquent. This is being monitored by the Office of Legal and Procurement Support. JP Morgan Chase provides on a monthly basis the list of cardholders who are delinquent by five days, which expedites payment.

D. United Nations Children's Fund[4]

27. The Executive Director is responsible for overseeing the implementation of audit recommendations. This responsibility is, however, shared with the senior staff responsible for the specific areas covered in the audit recommendations.

28. **In paragraphs 14 (g) and 138, the Board recommended that UNICEF integrate supply planning in the programme planning process by using automatic data extraction and that it establish clear directives to obtain more realistic and accurate supply plans from country offices.**

29. Supply planning has been integrated in the programme planning process of the new version of ProMS. The following activities have taken place to address the recommendation. The Cognos cube was tested in February 2003 and is now an online tool that is updated weekly. A global consultation (ConsulTing) on integrating supply planning in the programming process was held by the Supply Division. The full report is posted at http://www.intranet.unicef.org/supply/sdvisionting.nsf. A supply directive (CF/SD/2003/002) describing the ProMS-based process for the planning of supply inputs for UNICEF country programmes and the

accountability of country offices, regional offices, and the Supply Division was issued in late February 2003.

30. The Director of the Supply Division is responsible for the implementation of the audit recommendation.

31. **In paragraph 14 (h), the Board recommended that UNICEF adopt a consolidated treasury manual, review the opportunity to include external members in its Financial Advisory Committee, and consider investing in a more diversified portfolio and using external fund managers.**

32. A second draft of the consolidated treasury manual is being refined. Survey questionnaires on the matters of including external members in the Financial Advisory Committee, considering the possibility of investing in a more diversified portfolio and on the matter of using external fund managers are being analysed.

33. The UNICEF Comptroller is responsible for the implementation of the audit recommendation.

34. **In paragraph 14 (i), the Board recommended that UNICEF improve its information technology security by finalizing its corporate information security policy and, in consultation with other United Nations organizations, complete its disaster recovery plan as soon as possible.**

35. The draft information security policy was submitted to the Business Process Systems Management Groups in September 2002. The top layers of the policy (policy, data classification, and standards of electronic conduct) are in finalization stages with the Senior Legal Adviser and the Division of Human Resources. The report was finalized in the first quarter of 2003. On the issue of disaster recovery, implementation is ongoing. Specific actions have been implemented to increase bare-bones redundancy between the two UNICEF locations (633 Third Avenue and 3 United Nations Plaza). Further actions will be defined based on resource availability in 2004.

36. The Director, Information Technology Division, is responsible for the implementation of the audit recommendation.

37. **In paragraph 44, the Board recommended and UNICEF agreed to (a) review the recoverability of all outstanding advances and endeavour to recover them; and (b) reduce the volume of personal advances recoverable outstanding for more than 24 months.**

38. Implementation of this recommendation is ongoing. Clearing work continues. Some improvements will result from Standing Travel Advances and amended interface from the ProMS Hub. The entire work process will be reviewed by the end of the second quarter of 2003.

39. The Comptroller is responsible for the implementation of the audit recommendation.

40. **In paragraph 49, the Board recommended, and UNICEF agreed to consult with other United Nations entities to determine a common accounting treatment of Central Emergency Revolving Fund (CERF) expenditures.**

41. Implementation is ongoing. UNICEF will complete its consultations with United Nations agencies by the second half of 2003, to determine a common accounting treatment for CERF.

42. The Comptroller is responsible for the implementation of the audit recommendation.

43. **In paragraph 146, the Board recommended (a) that UNICEF review the present rules, with a view to raising them to the most demanding standards on ethics, gifts and offers of hospitality, (b) that a declaration of existing interests be obtained from the professional staff of the Supply Division, and (c) that staff members be reminded of existing rules and regulations regarding interest in supplier companies.**

44. Implementation is ongoing. The Department of Human Resources facilitated two ethics workshops in November 2002, with the participation of 36 staff members. All new staff members are given a set of UNICEF staff rules, including the code of conduct. During orientation workshops, they are reminded of these rules and the code of conduct.

45. The Director, Human Resources, is responsible for the implementation of the recommendation.

E. United Nations Relief and Works Agency for Palestine Refugees in the Near East[1]

46. **In paragraph 11 (a), the Board recommended that UNRWA review, in conjunction with United Nations Headquarters, the funding mechanism and targets for end-of-service liabilities in line with policies adopted by other United Nations organizations.**

47. The recommendation remains unimplemented. As previously indicated (see A/57/416/Add.1) in the response to the audit report, due to the inadequacy of funding, UNRWA is precluded from establishing specific reserves for this purpose. However, end-of-service liabilities during a financial period are met from the existing resources.

48. The Deputy Commissioner-General and the Comptroller are responsible for the implementation of the recommendation.

49. **In paragraph 11 (b), the Board recommended that UNRWA implement the asset module included in the newly acquired financial management system as a matter of urgency in order to rectify the deficiencies in the management and control of fixed assets. In addition, proper asset counts should form the basis of validating data in the asset module, and the assets should be properly stated in the financial statements and the notes thereto in terms of UNRWA's accounting policy.**

50. The implementation of the fixed asset module of the new financial management system is in progress. The control over fixed assets will be improved.

51. The Comptroller is responsible for the implementation of the recommendation.

52. **In paragraph 11 (e), the Board recommended that UNRWA review its policy on the pre-financing of donor-specified projects in view of the adverse**

effects it could have on the implementation of other projects and the impact on the cash flows of UNRWA.

53. The recommendation has not been fully implemented. There is no written policy on pre-financing of donor-specified projects. In the interest of speedy implementation and quick receipt of project funds from a donor, there have been instances, on an ad hoc basis, where allotment of funds was advanced against a confirmed pledge to initiate project implementation. This practice has not adversely impacted on UNRWA's cash resources or implementation of other projects. Generally, before disbursements are made against project funds, such funds would have been received. However, it should be noted that some donors insist on conditioning their project funding on a reimbursement basis.

54. The Comptroller is responsible for the implementation of the recommendation.

55. **In paragraph 11 (f), the Board recommended that UNRWA evaluate headquarters operating costs with a view to further optimizing efficiency and effectiveness. This evaluation should cover both quantifiable aspects and non-quantifiable matters.**

56. The recommendation could not have been implemented as the two headquarters locations are the result of a political decision and the current political circumstances make an early reversal of the decision unlikely. Conducting an evaluation to merge the locations at this stage would not be beneficial.

57. The Deputy Commissioner-General and the Comptroller are responsible for the implementation of the recommendation.

58. **In paragraph 11 (g), the Board recommended that UNRWA revise its recruitment strategy to lower the number of vacancies at headquarters to an acceptable level to enable UNRWA's functions to be performed in the most efficient and effective manner.**

59. The Department of Administration and Human Resources through its Recruitment Section has since April 2002 been able to recruit quite a number of suitable candidates to fill vacant international posts at Gaza headquarters. By the end of December 2002, the vacancy rate on the international staffing table, Agency-wide, was reduced from 21 per cent to 10.5 per cent against the Department's 5 per cent target. By the end of February 2003, only 5 posts were vacant on the international staffing table of 105 posts, representing a 5 per cent vacancy rate. A number of the newly filled posts were at headquarters Gaza and Amman. This is expected to significantly improve the effectiveness of the relevant headquarters functions.

60. The Director of Administration and Human Resources will ensure that the above actions are implemented.

61. **In paragraph 78, the Board recommended that UNRWA extend the application of computer-assisted auditing techniques to increase the effectiveness and efficiency of the internal audits.**

62. The Audit and Inspection Department obtained Audit Command Language (ACL) packages, and has contracted with an external expert to conduct a training session for Department staff in December 2002.

63. **In paragraph 97, the Board recommended that the Audit and Inspection Department strengthen supervisory responsibilities, as appropriate, as well as its documentation of the supervisory review.**

64. Supervisory responsibilities are and will be further strengthened through delegation, as appropriate, and documentation of supervisory review.

65. The Audit and Inspection Department has improved its Response and Recommendation Implementation Table to facilitate tracking of responses received for overall follow-up and review purposes. The Department reports periodically to the Commissioner-General on the status of implementation to its recommendations.

66. The Director of the Audit and Inspection Department is responsible for the implementation of the recommendations above, relating to the Internal Audit Division.

67. **In paragraph 106, the Board recommended that UNRWA update the disaster recovery plan for all areas.**

68. The task is now initiated as a result of the recent recruitment of the newly established post of Head, Technical and Telecommunications Services Section, which was a result of the recently approved Information System Division restructuring. The incumbent reported to duty on 1 October 2002.

69. **In paragraph 110, the Board recommended that UNRWA formally compile, document and approve programme change control procedures covering the entire process, from the initial change request to the eventual migration of the change into the production environment.**

70. Whenever possible, documentation of changes are compiled and filed. Approval of major changes or addenda to the contract are available in the Ramco contract files or the Steering Committee minutes.

71. **In paragraph 121, the Board recommended that UNRWA develop its own fraud prevention plan, including fraud-awareness initiatives. In developing the plan, UNRWA should discuss features of it with the United Nations and other funds and programmes to obtain the benefits of best practices, where available, in specific or all of the elements being considered.**

72. The Audit and Inspection Department is initiating an Agency-wide fraud-prevention initiative under the direction of the new Director of the Department.

73. Additional measures have already been taken. For example, a new layout for the General Supplies, Medical Supplies, and Basic Commodities Sections was set up by mid-June 2002. The new set-up includes a swipe card limiting access to these sections and an external meeting room for suppliers in order to avoid accidental exposure to tender information.

74. The Procurement and Logistics Division has taken an initiative towards fraud prevention on the Division level by issuing instructions, mainly focusing on: restricting visits of suppliers/vendors to the premises to previously set appointments for meetings that should be attended by at least two staff members, one of whom must be the chief or section head.

75. The implementation of the recommendation is the responsibility of department heads, in consultation with the Director, Audit and Inspection Department.

F. United Nations Institute for Training and Research[6]

76. **In paragraph 20, the Board recommended that UNITAR continue to monitor the potential need for a Special-Purpose Grants Fund reserve and set up such a reserve in line with administrative instructions ST/AI/284 and ST/AI/285 of 1 March 1982 as soon as warranted by circumstances.**

77. Reference is made to ST/AI/284, annex, part III, section A, paragraph 1: "... Normally, an operating cash reserve at a constant level of 15 per cent of estimated annual planned expenditures will be maintained during the implementation of trust fund activities to cover shortfalls and will be utilized to meet the final expenditures under the trust fund, including any liquidating liabilities."

78. UNITAR has approximately 80 separate trust fund accounts. All expenditure is planned in advance; normally, a detailed budget is agreed with the donors. There is no margin to retain 15 per cent. All expenditure is strictly controlled, especially since the IMIS accounting system has been in place. UNITAR does not incur overspending and the creation of a reserve is considered over-prudent and not within the best interests of UNITAR as a serious cash flow problem could be created. Furthermore, the creation of this fund will leave a balance remaining after the life of the project, which normally must be returned to the donors. Administrative instruction ST/AI/284 states normally, an operating reserve will be maintained; however, the reserve is not compulsory. UNITAR will continue to monitor the potential need for a Special-Purpose Grants Fund reserve and will set up a reserve if considered necessary. However, at the moment it is considered that a reserve is detrimental to the smooth running of the projects and that sufficient financial controls are already in place.

79. The Executive Director and Finance and Administration Officer are responsible for the implementation of the recommendation.

80. **In paragraph 25, the Board considered that, especially in view of the limited and decreasing resources of UNITAR, this is a matter of concern and recommended that UNITAR provide for separation costs for non-regular budget staff members entitled to international benefits.**

81. The recommendation is under implementation. UNITAR welcomes this recommendation and will work together with the United Nations Office at Geneva during the current financial period to set up a suitable system.

82. The responsibility for implementing this recommendation lies with the Finance and Administration Officer.

G. United Nations Environment Programme[7]

83. **In paragraph 12 (d), the Board recommended that UNEP continuously assess the efficiency and effectiveness of the implementation of the terms of agreement and explore ways to optimize the accounting and financial services**

provided by the Economic Commission for Latin America and the Caribbean (ECLAC) with a view to basing the agreement on cost-effectiveness and efficiency in the future.

84. UNEP Regional Office for Latin America and the Caribbean has been meeting periodically with the administrative and financial offices of ECLAC to address delays in the provision of reports, to clear financial statements and check on the status of payments. UNEP Regional Office has also been working closely with ECLAC consultants to review and streamline the format of the reports. Operational problems with ECLAC will be discussed when the agreement is reviewed. However, since September 2002, the Regional Office operates an imprest account and no longer depends on services from ECLAC.

85. The Chief, Budget and Financial Management Services, United Nations Office at Nairobi, is responsible for the implementation of this recommendation.

86. **In paragraph 38, the Board recommended that projects should be approved before they are started. The Board also recommended that UNEP establish a reasonable lead time for the review and approval of project documents.**

87. The Project Approval Group was already paying particular attention to the proposed starting date of each proposed project to prevent projects starting before they are formally approved and a memorandum was sent in September 2001 to alert all concerned that the average lead time for approval of a project once drafted and submitted for review is four weeks. Cash advances are not paid to implementing agencies before a project is formally approved.

88. In a memorandum dated 6 April 2002, issued by the Deputy Executive Director and addressed to all Division Directors, it was stated that project proponents need to take into account that the lead time for review and approval of project documents will normally be four weeks. This, however, is dependent on prompt responses from the project proponents to project review comments and recommendations. Project proponents further need to take into account that in cases where implementing agencies need to approve the project, the lead time may be several months longer, according to the reaction time of the implementing agencies. Project proponents should ensure that no project should start before it has been fully approved internally and by all implementing partners (if any). With this the lead time for review and approval of project documents has been made clear to all concerned. No project will start before it has been approved.

89. The Programme Coordination and Management Unit has the responsibility for implementing this recommendation.

90. **In paragraph 48, the Board recommended that the Executive Director of UNEP take the initiative in bringing to the attention of the United Nations System Chief Executives Board the possibility of developing a framework to implement the environmental policies in the United Nations system.**

91. Most United Nations agencies have established an environmental focal point in their institutions to develop their own environmental policies. While UNEP has the mandate relating to environment, it can neither dictate nor impose on other United Nations agencies environmental policies and management system considering that the agencies have their respective governing bodies, which give the direction. The

Environmental Management Group (EMG) is the appropriate forum to address the objective of the Auditors' recommendation. The EMG has been established in follow-up to General Assembly resolution 53/242 on the report of the Secretary General on environment and human settlements for the purpose of enhancing United Nations system-wide inter-agency coordination related to specific issues in the field of environment and human settlements. UNEP performs the secretariat function for the EMG.

92. The Director, Division of Policy Development and Law, is responsible for the implementation of the recommendation.

H. United Nations Population Fund[8]

93. **In paragraph 10 (c), the Board reiterates its recommendation that UNFPA improve its monitoring procedures to ensure that country offices do not exceed their expenditure allocations.**

94. UNFPA accepted the recommendation that it should improve its monitoring procedures. Financial discipline is one of the key competencies in UNFPA's performance assessment process. Representatives and Division Directors who authorize expenditures over and above their ceiling will be held accountable. During 2002, UNFPA amended its project budget practices to ensure that countries do not "over-allocate" funds. These controls were reflected in the new country office system (WINUNIFOS 2.0). Division Directors have also intensified consultations with country offices on and monitoring of expenditures. During 2002, expenditures have remained within approved limits.

95. **In paragraph 10 (e), the Board recommended, and UNFPA headquarters agreed, to intensify its efforts to improve audit coverage in countries where coverage is low and to implement controls to obtain compensating assurances that funds are used for the purposes intended.**

96. The Chief of the UNFPA Audit Services Branch provides Geographic Division management with data on nationally executed (NEX) audit coverage for follow-up. In addition, Division Directors have been advised to ensure compensating assurances while making every effort to increase the audit coverage. A low project audit coverage is a main criterion for a management audit of a country office. It should be noted that in 2001, NEX project audit coverage was 86 per cent.

97. **In paragraph 10 (g), the Board recommended, and UNFPA agreed, to perform a forward-planning exercise to ensure sufficient resources are available to evaluate NEX audit reports after the prescribed deadline.**

98. The Chief of the UNFPA Audit Services Branch agrees to increase forward planning to ensure that evaluations of audit reports are issued in a timely manner. One Audit Specialist has been designated to work full time on 2002 NEX audits and consultants will be hired during peak periods.

99. **In paragraph 10 (i), the Board recommended that UNFPA maintain data relating to audit cost for each project on the consolidated database. UNFPA headquarters should analyse the cost to determine whether the benefit of the actual audit exceeds the cost, its relation to project expenditure and the risk assigned to the project.**

100. The Chief, Audit Services Branch, has been maintaining data on audit costs in the NEX audit database. The possibility of setting a minimum project expenditure level for NEX project audit for the next round is being considered.

I. Fund of the United Nations International Drug Control Programme[9]

101. **In paragraphs 11 (b) and 20, the Board recommended that UNDCP* review the funding mechanism and targets for end-of-service liabilities in line with other United Nations organizations.**

102. UNDCP will proceed with an actuarial evaluation, if this has not been included in the one already carried out by the United Nations Secretariat, in order to disclose end-of-service liabilities in its financial statements for 2002-2003. The Director, Division of Treaty Affairs, will be responsible for the implementation of this recommendation.

103. **In paragraphs 11 (c) and 23, the Board recommended that UNDCP closely monitor special-purpose funds that are in deficit to ensure that outstanding amounts are recoverable and that liabilities will be covered in the event that the income pledged is not eventually received.**

104. UNODC has become more proactive in ensuring that special pledge collections match project expenditures by a closer monitoring of pledges and collections and more timely budget revisions in cases where collections are doubtful in the current year.

105. The implementation of this recommendation is on an ongoing basis and is the responsibility of the Director of the Division of Treaty Affairs.

106. **In paragraphs 11 (g) and 48, the Board recommended that UNDCP enter its Brazilian local bank account in the general ledger, register all transactions into and out of the account and ascertain that no other such bank account is operated by field offices.**

107. The recommendation has been fully implemented. From 2002, all transactions reported on a quarterly basis by the field office are reconciled and entered in the general ledger. UNODC has already ascertained from the United Nations Treasurer that there are no other such bank accounts. The recording of transactions in the general ledger is done on an ongoing basis. Responsibility for implementing this recommendation belongs to the Director of the Division for Treaty Affairs.

108. **In paragraph 54, the Board recommended that UNDCP disclose fully its write-offs as at 2002, including those of field offices and headquarters, together with the value of its non-expendable property.**

109. From 2002 onwards, note 17 to the financial statements will disclose a figure for inventory write-offs as approved by the local Property Survey Board, including those at field offices and at headquarters, together with the value of its non-expendable property.

* Since 2002, known as the United Nations Office on Drugs and Crime.

110. The responsibility for the implementation of this recommendation belongs to the Director of the Division of Treaty Affairs.

111. **In paragraph 74, the Board recommended that UNDCP review the reasons for qualified opinions from local auditors in order to measure their exact financial impact and undertake appropriate action with the implementing partners.**

112. This recommendation continues to be implemented on an ongoing basis. Appropriate action will be taken in cases where annual audit reports contain qualified opinions.

113. The responsibility for the implementation of the recommendation lies with the Director, Division for Treaty Affairs.

114. **In paragraph 84, the Board recommended that UNDCP maintain the two accounting systems in parallel operation for at least another six months until it has verified that the new system fully provides accurate data.**

115. UNDCP continued operating the financial information management system (FIMS) and ProFi, and will close the accounts for 2002 based on both systems. This will ascertain that ProFi provides accurate data. It is expected that the use of FIMS will be discontinued by the end of June 2003.

116. The responsibility for the implementation of this recommendation belongs to the Director of the Division for Treaty Affairs, together with the Chief of the Information Technology Section of the United Nations Office at Vienna.

J. United Nations Office for Project Services[10]

117. **In paragraph 10 (d), the Board recommended that UNOPS evaluate the basis and calculation of the cost of services with a view to ensuring that all costs are identified and recovered, and that it ensure that the piloted system addresses all shortcomings identified in the project management officer workload system.**

118. As an initial step, the Deputy Executive Director/Director of Operations convened a task force to analyse and make proposals on the UNOPS fee structure; UNOPS management will address the task force recommendations in the first quarter of 2003. UNOPS expects to implement its new fee calculation system throughout the organization in 2004, subject to available budgetary resources.

119. The Deputy Executive Director/Director of Operations is responsible for this activity.

120. **In paragraphs 10 (e) and 53, the Board recommended that UNOPS, in conjunction with the United Nations and other funds and programmes, review the funding mechanism and targets for end-of-service benefits. The Board considers that UNOPS may need to expedite its consideration of funding the end-of-service liabilities given the unique funding principles of UNOPS.**

121. UNOPS continues to work with the United Nations organizations and is considering funding implications. A course of action was proposed towards the end of the second quarter of 2003.

122. The Deputy Executive Director/Director of Operations is responsible for this activity.

123. **In paragraph 87, the Board recommended that the agreements between UNOPS and UNDP be finalized expeditiously, in order to regulate the functions of central services received from UNDP and should include the respective functions, responsibilities and cost structures between UNOPS and UNDP. Furthermore, the Board recommended that a service level agreement be concluded for human resources.**

124. Significant progress has been made towards the conclusion of an agreement to enhance further the cooperation between UNDP and UNOPS and clarify the responsibilities of the two respective organizations for central services in the areas of human resource management, ICT, and finance and administration. UNOPS is reviewing the details of services rendered and validating the costs associated with those services as distributed by UNDP. Finalization of a services agreement could be expected prior to the closure of 2002 accounts.

125. The Assistant Director of Finance, Budget and Administration is responsible for this activity.

126. **In paragraph 92, the Board recommended that UNOPS (a) compile a short- and long-term ICT strategic plan for the deployment of ICT, which should be updated on a continuous basis; and (b) develop formally documented and approved procedures or guidelines on aspects such as security, disaster recovery planning, back-ups and system development.**

127. There have been no further developments with respect to the implementation of this recommendation. The Chief Information Officer is responsible for this area.

K. International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994[11]

128. **In paragraph 11 (g), the Board recommended that the Tribunal establish clear and unambiguous rules to define and regulate the notion of "exceptional circumstances", as contemplated by rule 45 of the Rules of Procedure and Evidence.**

129. The recommendation is currently under review. Exceptional circumstances by their very nature cannot be predetermined. This varies from case to case and cannot be close ended. To do so would restrict the discretion of the Judges in developing the jurisprudence of the Court in accordance with the peculiar circumstances that may arise from time to time.

130. The Office of the Registrar and Defence Counsel Management Section are responsible for the implementation of the recommendation.

131. **In paragraph 25, the Board recommended, and the Tribunal agreed, that ICTR agree to implement strict procedures to ensure proper budgetary control.**

132. The Management has made programme managers more accountable in monitoring expenditures made against the approved budgetary provisions. With the introduction of the SUN Business Accounting System and Mercury Procurement System, the programme managers are provided with accurate and up-to-date financial reports helpful in assisting them to review expenditures and unliquidated obligations and to exercise budgetary control. The Budget Unit, as the overall coordinator for budgetary control, continuously monitors, reviews and approves expenditures made against the appropriations.

133. The Chiefs of Administration and Finance are responsible for the implementation of the recommendation.

134. **In paragraph 55, the Board recommended that ICTR clarify the role and responsibility of investigating indigence as soon as possible with a view to implementing more effective procedures to verify and monitor the financial position of accused persons receiving legal aid.**

135. The investigator on indigence will enhance the efforts of the Tribunal in establishing clear and enforceable working relations with Member States, in terms of providing reasonable assistance necessary to verify the financial position of the accused. Under the supervision of the Deputy Registrar, the Financial Investigator shall be responsible for the provision of legal, technical and investigative advice and direction in relation to complex and sensitive investigations in particular in connection with indigence, fee-splitting or fee-splitting arrangements, tracing, freezing and confiscation of financial assets of suspects and accused, including issues of search and seizure. In addition, the investigator will be responsible for developing and implementing investigation strategies, participating in financial investigation missions, contacting and liaising with specialists, in particular banking and financial authorities in other countries.

136. The Deputy Registrar is responsible for the implementation of this recommendation.

137. **In paragraph 82, the Board recommended that ICTR include an opening date and time in the invitations to bid to allow all potential contractors to attend the opening in compliance with the approved directives.**

138. With effect from 1 January 2002, bidders are invited to send representatives to attend the opening of bids.

139. The Chief Administrative Officer and the Chief of Procurements are responsible for the implementation of the recommendation.

Notes

[1] See *Official Records of the General Assembly, Fifty-seventh Session, Supplement No. 5* (A/57/5), vol. III and corrigendum (A/57/5/Corr.2), chap. II.

[2] Ibid., *Supplement No. 5* (A/57/5), vol. IV and corrigendum (A/57/5/Corr.3), chap. II.

[3] Ibid., *Supplement No. 5A* and corrigendum (A/57/5/Add.1 and Corr.1), chap. II.

[4] Ibid., *Supplement No. 5B* and corrigendum (A/57/5/Add.2 and Corr.1), chap. II.

[5] Ibid., *Supplement No. 5C* and corrigendum (A/57/5/Add.3 and Corr.1)), chap. II.

[6] Ibid., *Supplement No. 5D* and corrigendum (A/57/5/Add.4 and Corr.1), chap. II.

[7] Ibid., *Supplement No. 5F* and corrigendum (A/57/5/Add.6 and Corr.1), chap. II.

[8] Ibid., *Supplement No. 5G* and corrigendum (A/57/5/Add.7 and Corr.1), chap. II.

[9] Ibid., *Supplement No. 5I* and corrigendum (A/57/5/Add.9 and Corr.1), chap. II.

[10] Ibid., *Supplement No. 5J* and corrigenda (A/57/5/Add.10 and Corr.1 and 2), chap. II.

[11] Ibid., *Supplement No. 5K* and corrigenda (A/57/5/Add.11 and Corr.1-3), chap. II.